

Presenting

F. IX-4

Previous References

1931-2.

(*Genl*)

File No. 69-31

Serial Nos. 2-4, 4a

4b, 5, 6, 6a, 7-9, 9a
10, 11

Later References

Law 58-341

F

(93)

General and Revenue Secretariat.

Serial Nos. *four*

Part B for *Jan 33.*

SUBJECT: Assignment of the *Balaghat* mining *Company's* leases to the *Nandi* *mining* *Company*

26601 & 27.6.32 -

to Sir J. Sel

*Approves of the recommendation of Sir J. Sel of geology & dis-
mantling all redundant buildings on the Balaghat
mining Co.*

Serial
No.

2

3863
3884
3897
69

From the Chief Inspector of Mines, No. 1855 d. 9.4.32. Forwarded for the information of Govt copy of a letter d. 9.4.32 from the Supdt, Kirdydwarg Mines together with its inclosures, recommending the purchase of The Balaghat (Gold Mine) property, which was circulated to the Shareholders of the Kirdydwarg Mines & notified by the Shareholders of both the Companies.

From the Chief Inspector of Mines, No. 1862 d. 11.4.32. In continuation of the above, submit for the information of Govt copy of a letter d. 11.4.32 together with its inclosures, received from The Supdt, Balaghat Gold Mining Coy, stating that the scheme outlined in the enclosed circular for sale of The Balaghat Mining property to the Kirdydwarg Mines Ltd., has been notified by the Company's Managers, in London, Messrs. John Doyles & Sons, and adds that the Supdt's letter & its inclosures have been sent to the Director of Geology for information & taking necessary action in the matter.

From the same Officer, D.O. No. 1885 d. 13.4.32 In continuation of above submit for the consideration of Govt a brief note on the assignment of Balaghat Mining Company's Mining Leases to the Kirdydwarg Mines Ltd & recommends that the Mysore Govt may invest a sum of £40,000 & buy up Balaghat property and

men into negotiations with the Nundydroog
Mines for its future working on a profit shar-
ing basis & that we can recoup the amount in
a short time as there is an estimated output of
4,000 lbs. of gold in the mine valued at £77,000
which is calculated to yield a profit of £30,000
after deducting the working costs (to recover the
gold) amounting to £47,000 out of which £21,000
belongs to Balaghat Mine.

Entered for perusal and orders.

MR. K.

18/4/32.

19

The D. J.'s proposal
to buy up Balaghat prospects
for £40,000/- & enter into negotiations
with the Nundydroog Mines for the
future working is for order -

19/4/32

Seen)

18/4/32

MS

23/4/32

The Director of Geology N° 6141-11 of 25.4.1932

Forwards copies of correspondence
relating to the assignment of the
Balaghat Gold Mining leases to the
Nundydroog Mines co Ltd on the certain terms
stated that the deed is likely to be registered before
18th May 1932 having been drafted by both the Companies
and that the reports of both the mines will
meet here for morning with the Deed of Assignment

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No.

The Director promises to submit
his views in the matter to-morrow
after meeting the Superintendent
of both the mines.

Subd for orders

K.P.
25.4.32

Dev. (Lum)

D. F. N. Sharma as
personally informed.

25/4/32

1) The Chief Engineer of mines suggests the purchase
of the Balaghat mines by the Govt. for Rs. 4000/-
and to arrange for working the mines through
the agency of the Wandydroof mines. This
is a speculative venture and should not be
considered.

2) Consent of Govt. is necessary for the proposed
arrangement. Negotiations between the two
companies are complete and deed of
arrangement will be executed shortly.
Proposals of the Director will be accepted.

3) Permission may be given to the Superintendent
Balaghat mines to dispose of such of the
machinery, Plant and buildings as will
not be required by the Wandydroof mines
for working or use of the Balaghat
mines. The Govt. have no use for them
and the first refusal has been given for

(D. member)

(4)

6663Place in the bill
in a coverSerial
No.

A reference to the leases held by the Balghat Company was necessary to deal with this case and I accordingly obtained them from the Director of Geology. Three leases^x are held by this Company and according to Clause 27 of the leases, the consent of Government to any assignment of them is not necessary. The Chief Inspector of Mines is therefore not correct in stating that the approval of Government is necessary to the assignment proposed. All that the leases provide for is that the lessees should deliver to the lessors a copy of any assignment made within two calendar months after the date of such assignment.

The Chief Inspector of Mines suggests in the note accompanying his letter dated 13th April 1932 that Government might purchase the Balghat Mine by paying a sum of @ 40,000/-. His proposal is to buy the Mine and entrust its working to the Nandydroog Company according to a profit-sharing arrangement. The financial condition of the Balghat Mine has not been satisfactory for some time and it has ceased to be a paying concern. I don't think it is advisable for Government to assume responsibility, in whatever form, for the working of a gold mine. The arrangement of the Nandydroog Mine taking over the Balghat Mine is the best in the circumstances and the two companies have accordingly adopted it.

The only proposal which requires the approval of Government is the disposal of some plant and machinery which belong to the Balghat Mine and

4082

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which are not required by the Nandydroog Mine. We do not want this plant and machinery and we may say, as required by Clause 28, that we do not intend to take them over and that the lessees are at liberty to dispose of them.

In the transaction proposed, £ 40,000/- has been taken as the consideration for paying stamp duty. The Director of Geology has pointed out that the payment of £ ^{21,000}~~2,100~~/- for the pre reserves should also be treated as part of the consideration. The Superintendents of the two Mines who saw me today, have cabled to London for permission to calculate stamp duty on £ ^{61,000}~~6,100~~/. They stated that there may be some delay in executing the agreement and that the working of the Balghat Mine by the Nandydroog Company from 1st May 1932 might be provisionally permitted. This request may be complied with.

The Balghat Mine ceases to exist as a separate mine from 1st May 1932. The Balghat Company itself will continue until all its assets are realised and it is formally wound up.

The case may be submitted to the Dewan and with his permission, to His Highness. A Final Note is put up.

Dewan)

mmz
26.4.32ms
26/4/32

1/27/4/32

ms
27-4-32

Final Note by the First Member of Council.

Subject:—

Assignment of the Balghat Mining Company's mining leases to the Nandydroog Mines.

The share-holders of the Balghat Mine^s were advised in a circular dated 18th February 1932 issued by the Directors that in view of the circumstances of the company in relation to the mining outlook and the limited ore resources available for working, it was desirable that the Mine should be disposed of in the best interests of the share-holders. On 24th March 1932, the Directors issued another notice to the share-holders and explained how during the past three years, exploration work in the Mine in search of new ore reserves had been attended with little success and how the decline in output was inevitable. They considered the chances of developing fresh ore shoots of economic advantage to the Company as remote. The sale of the Mine to the adjoining Nandydroog Mine was considered the most suitable course to adopt for its disposal and it was recommended to the share-holders.

The Chief Inspector of Mines has submitted a note with his letter of the 13th April 1932 suggesting that the present opportunity may be availed of to purchase this gold mine. Gold mining is a highly speculative venture and it is not advisable for Government to undertake it and it is best left to private enterprise.

The assignment of the leases held by the Balghat Mining Company has been ratified by the share-holders of both the companies.

It is reported that some plant and machinery of the Balghat Mine are not required by the Nandydroog Mine and permission is asked for under Clause 28 of the leases for their disposal and there is no objection to accord this permission.

Some delay is apprehended in the execution of the document of assignment and pending its execution, provisional permission is applied for for the Nandydroog Company to work the Balghat Mine from 1st May 1932 and this request may also be complied with.

The above facts are reported for the gracious information of His Highness.

Bangalore,)
26th April 1932.)


MEMBER OF COUNCIL.

8

Submitted to His Highness.

*I submit herewith a Final Note by the.....First.....
Member of Council on the subject of.....the.....assignment
of the Balghat Mining Company's mining leases.....
to the Nandydroog Mines.....
.....
.....information.
for His Highness' gracious approval.*

Mirza M. Ismael
Dewan.

Bangalore,)
27th April 1932.)

9
Record of Cases submitted for the Orders of
His Highness the Maharaja.

Subject.

Assignment of the Balaghat Mining
Company's mining leases to the Nandy-
droog Mines.



Order.

~~KRU~~
29/4/32

General and Revenue
Secretariat.

36 cases in 7
20.2.25

Assignment of the
Balasat Mining Company
Mining cases to be -
Nandodurg Mines.

(*)

31. All urgent or confidential files returned with His Highness' orders may in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at Headquarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to Members of Council for perusal of His Highness' orders before/after issue of orders. (Vide Rules 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

N. Madhavaiah
Chief Secretary to Government.

Through the Secretary to Government,

..... *Dev* Department. *MS*
2/5

6888
2/5

FIRST MEMBER OF COUNCIL.

MS
2/5 32

9320
2/5

SECOND MEMBER OF COUNCIL.

S/O
2/5

To Secy. Secy with compliments

MS
3/5/32 *MS*
3/5 *MS*

File No.

Serial
No.

Letter no 6161-15 d 27 April 1932 from the
Hon. Secy forwarding a copy of the deed of
Assignment produced by the Hon. Superintendent
Mems W.T. Hudson & C.N. Kestel and request
approval for the Mundy day Mems. to
later Mr Balaghat (the Assignor) properties as
a going concern & to start working operation
from the 1st May 1932 without any interruption
even though there may be delay in the
execution & registration of the deed of Assignment
1st Subd. The deed of assignment will be
got examined by the Leg. Secy.

1st Member)

Subd. B.T.K. 27/4

2 Yes, ready

M.N.K.
27/4/32

3 Today

B.T.K. 28/4
B.N.K. 28/4

4 To Law Secy as directed on the P.U.O.

Subd. K.P. 28/4/32

295

Law.

The previous papers may kindly be put on
the point on which legal opinion is required
& with respect to which the assignment deed
is to be examined may kindly be stated:-

6 Ant. Secy, with Mr. with compliments)

Subd. N.R. 28/4

7th The previous papers will be furnished to the
Ant. Secy, Law Secy as soon as they are
received back from the Division - In person.

8 A letter was received yesterday from the
Dir of Feol in the same matter. Please put
up a draft both these - file to be subd
by the Dir. needful being done.

Letter No 6141-16 d 28 April 1932 from the Dir

of Feol enclosing a copy of the reply cable from received
Manning & Co Ltd London stating that they are willing to pay stamp duty on £21,000
also stating they do not like the conditions and in the end to be withdrawn
out & above £40,000.

46

by the Dir from the
Stamp duty on £21,000
to be withdrawn
Subd for personal
B.T.A. 28/4
M.N.K. 28/4

Letter No 6141-17 d 28/4/32 from the

Dir of Feol requesting from approval for the
definit by the Company of the stamp duty
payable on £21,000, - subject to the
drawing up of a subsidiary contract before
the registration of the present deed of assignment
Please see this & memo.

5

A. This proposal may be approved &
communicated to the Dir.

Intd M.N.K. 28/4.

To, the Dir of Feol:

Re D.O No C 26 d 28/4/32

Approves of the proposal of the Dir in
the above & requests that the same be
subd. with reference to para 8 above.

- Legal Opinion is required
whether the procedure suggested in
para 2 of the Directors letter dated 28.4.1932
for the recovery of Stamp duty for £21,000
on a subsidiary document ^{28/4/32} which may
be executed, would be legal & valid

and whether the deed of assignment
would be in conformity with the
terms of the Mining Leases.

The Mining Leases have been put
up with the main file & submitted to the
Deewan with the final note of the
the first member and can be made
available ^{only} on the return of the main file

R.P.

30/4/32

Dr. Sanyal

88

30/4/32

1) One point on which the Director wants immediate
advice is whether the Wandoo mines may be
permitted to work the Balaghat mines pending
the completion of the formalities re. revocation of
the Deed of Assignment. I think this permission
may be given.

2) As regards recovery of stamp duty on the Deed
amount of £ 21000, the Director has written to
on 28.4.32.

3) The Deed of Assignment will be legally
submitted after the return of file Subd 8 H. H.

1st member)

A. Yes

(mark)

30/4/32

MS

30/4

30/4

DO No 5402 of 30/4/32 to Mr

R. Sampat Singh

inform him that the

Wandoo mining lease may be

permitted to work the Balaghat

mine from 1st May 1932.

18me letter in file

MS

30/4

30/4

The file re: Assignment of Balaghat Mining Mining Leases received back from His Highness yesterday is put up herewith for being sent to the Legislative Council for scrutinising the Deed of Assignment as ordered by the Hon. Secy in the last paragraph (1).

M. K. D.
25.3.32
A.M. Singh
and B.P.M.
with Comptroller

28
4/5/32

295
Law
Linked file

Patel
Please check
home 4/5/32

The assignment deed, copy of which is sent with the Director's letter of 27th April 1932 conveys all the rights possessed by the Balaghat Mines in the three leasehold premises to Vandudurg for a consideration of Rs 40,000/- The circulars issued by the two companies to their respective shareholders however state that this consideration of Rs 40,000/- does not include the right to the existing reserves of the Balaghat mines. The arrangement mentioned in the circulars shows that Balaghat is going to get a sum of Rs 21,000/- on account of mining & mining these reserves. The Director is therefore right in ascertaining the consideration for the entire assignment made by the deed, at Rs 61,000/-.

It is not legally possible, as the deed stands, to recover stamp duty at Rs 61,000/- since the companies are ^{however} willing to pay stamp

* But some legal action is possible to get the deed amended so as to represent the true state of affairs. This does not arise in this case.

MP

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No.

duty on the additional £21,000/- & perhaps have already deposited the amount necessary at the State Exchequer, the best way of getting the duty is to have a subsidiary assignment deed executed in respect of the ore-reserves, mentioning therein the consideration for the same at £21,000/-. This subsidiary ^{deed} may perhaps be executed in pursuance of Clause (4) of para 2 of the assignment deed.

The assignment deed has been examined with a view to see if it is in conformity with the mining leases granted by Govt to the Balghat Co., and I find that the assignment is within the rights of the parties and that there is nothing in it prejudicial to the interests of Government.

Dev. Secy.)

M/

5/5/32

Please consult Govt. advocate also as the case is an important one.

M/

Forwarded with Compts to the Govt advocate,

B'lore, for favour of opinion. B.O.

B. M. Srinivasan

For Dev. Secy to Govt.

6/5/32

returned with compliments.

The Assignment Deed as it stands does not seem to convey expressly the ore reserves which are calculated to yield £.21,000/- according to the circular letter to the Share Holders. Whether it includes the ore reserves also may be ascertained from the Director of Geology.

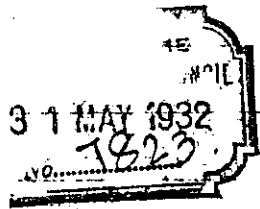
The cable from the Managers clearly says that they insist on £.40,000/- being mentioned as the full consideration and it is therefore doubtful if they will accept the suggestion of Mr. Jones and execute another deed regarding the ore reserves mentioning the consideration as £.21,000/-. If they also agree and if the ore reserves are not included in the Assignment Deed, a subsidiary deed may be directed to be executed before the registration of the Assignment Deed in question. Otherwise it might be contended later with some force that the agreement regarding the ore reserves is not an assignment but only an agreement to work those reserves on certain terms, and as such not liable for stamp duty as an Assignment.

Since the Managers are agreeable to pay the additional stamp duty which they have already deposited with the Government, the Deed may under Sec.31 of the Stamp Regulation be referred to the Deputy Commissioner who may certify payment of the full duty under Section 52 Cl.1(b). This course may be adopted in case a subsidiary deed cannot be obtained. The Deputy Commi

U.O. No. 124/21 32
27.5.32

(Two files linked together
with a cover containing
three mining leases)



Serial
No.

Commissioner may not also feel any difficulty in giving his opinion as to the stamp duty payable as that may be agreed to by both parties.

I agree with the opinion of the Assistant Secretary that there is nothing in the Assignment Deed prejudicial to the interests of Government.

W. L. S. V. S. V. S. V.
Government Advocate.
27-5-1932.

Submitted with the opinion of the Govt Advocate. If directed the Dir of Geology will be addressed as suggested by the Govt Advocate at A.
yes
28/5
K.D.

28/5/32 For perusal
Sec. Secy Dir. may be consulted to. *28/5/32*
ms
30/5
30/5



up no. 162 of 1931
1.6.1932

Forwarded with compliments to the Director of Geology for remarks
By order

M. S. V. S. V.

Secy to Govt
Dev Dept

31.5.32
No. 6141-32 of 4-6-32.

- In virtue of clauses 2 and 3 of the Mining leases granted to the Balaghat Gold Mines Ltd. the lessees possessed the exclusive license and

liberty to mine, and raise all gold bearing quartz reefs and to mill, refine and sell the products obtained therefrom. When such leases are assigned to another company without any reservations, every gold bearing quartz reef in the Balaghat property including the 'Ore reserves' should be considered to have been transferred; and the wording of the present deed of assignment in question is in such general terms that it may be construed to include all. But this assignment when read with the resolutions approved by the Balaghat and Nundydroog Cos. shareholders at their Extraordinary General Meetings on the 6th April 1932 clearly show that the considerate amount of £40,000/- is only for the acquisition of "the Balaghat Mine, the pumping plant and all the machinery and equipment necessary to keep the mine free of water", exclusive of the 'Ore reserves' for which a separate resolution has been passed on a profit sharing basis. Similarly also Balaghat company have retained possession of quite a number of machinery, plant and buildings not included in this considerate amount. Hence I am of opinion that the present assignment for £40,000/- can only empower the Nundydroog Co. to get possession of all the gold bearing quartz reefs except those of the "ore reserves" in the Balaghat property. It is therefore necessary for the companies to execute a subsidiary deed regarding the ore reserves mentioning the consideration as £21,000/-.

To-
The Secretary
Development Dept.

M. Sampat Singh

OFFICE OF THE
FIRST MEMBER OF COUNCIL
9 JUNE 1932
No. 8085

Serial
No.

The execution of a Subsidary deed seems quite necessary since the assignment deed is in general terms and would not enable Govt. to claim the Stamp Duty on the strength of it alone. The execution of the Subsidary deed cannot be enforced for the reasons pointed out by the Govt. advocate and it becomes a matter of mutual agreement & consent. We may ask the Director to say how he proposes to get the Subsidary deed executed.

1st member)

MS
9.6.

We may address the Dir. on the points referred to at A.

Has the additional Stamp Duty in respect of ore-reserves of the estimated value of £ 21,000.

There is a further question that arises: & is this, When the lease-holders of the Dalaghat mine receive £ 21,000 on any other account as net profits the royalty payable on it has to be considered. This point need not however be now raised. Munk

To The Dir of Geology

no D 6352 & 16.6.32

Requests him to state how he proposes to
get the subsidiary deed executed.

From the con'g of coal

no 6141-40 d 15th June 1932

Requests, in the circ stated, the grant
of permission to dismantle the redundant
machinery, buildings, etc of the Baloghul
mine.

From the con'g of coal

no 6141-42 d 17/6/32

Ref - to SL 7 above, inverts reference to
this letter in SL 8 above and states that the
excess stamp duty on £21,000 is reported
to have been paid & that the matter of a
subsidiary contract is stated to be under consideration
by the Managers of the companies in London.
" ~~Submitted~~ The Proposal at A may be
approved.

1st Member

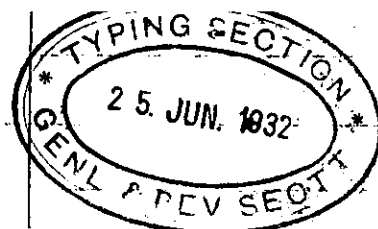
Intd. B.T.R. 16/6/32

B.M.K. 16/6/32

M.N.K. 18/6/32

B.T.K. 20/6

B.M.K. 20/6



Subd into a draft for approval with ref
to SL 8. Further report about
the subsidiary contract will be awaited

A - The proposal may be
approved.

B - may be awaited

Issue
M
20/6

GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE

688

General and Revenue Secretariat

Requisition for papers

Section

ger

A

B

Filed

Deposit No.

File No.

69-31

Serial Nos

2-4 etc

To be put up with Diary No.

1535 of 1934

Signature

T W Subash

Branch

ger

Section

ger

Date

17 10 34

Taken by Mr
P. Ramachandra
P. Ch. Finet. Day
on 27/12 for Day
no 1586/78

Serial
No.

9

To Dir of Geology.

No. D. 660 / 827. 6-32

Conveys approval of Govt to his recom-
mendation for discontinuing all redundant
working of the Balaghat Gold Mining Co
from the Chief Inspector of Mines
No. 666 d. 26/12/32

States that the Mundaydoo Mines Ltd
took over the working of Balaghat Mines with
effect from 1st May 1932 and requests that
the working of Balaghat Mines may be addressed in
the matter of the registration of the deed of
assignment.

Subd for personal. It appears the working
of Balaghat Mines will be resumed in the matter
82. Hto
29/1/33

Dist Secy

MSK

2/10/32

B. J. W. M.

Doubt reminder put up.

82. AH

4/1/33

Issue R. P.

5.1.33

Reminder Issues.

No. D. 3229 d. 7.1.33.

From the working of Balaghat

No. 666-96 dated 13/1/33

States that the subsidiary contract
was completed and the Agreement was

duly registered

Subd with reference to the ~~sub~~ Supt
order dated 24/6/32 above. No further
action seems to be necessary in the
matter. May this be filed?

for AY
17/1/33

Secy. (Lung)

For perusal.

18/1/33

File.

can.
19.1.33.

19/1

GOVERNMENT OF MYSORE.

Telegraphic Address:—
"MINESPECTOR"

Dist. 69-31-2

D 3463

DEVELOPMENT BRANCH.

DEPARTMENT OF MINES AND EXPLOSIVES.

OFFICE OF THE CHIEF INSPECTOR OF
MINES IN MYSORE.

Dated Oorgaum, 9th April 1932.
(S. India).

No. 1855

Encl. 2

FROM

C. E. SURYANARAYANA RAU, Esq., Mem. A.I.M.E., &C.,
Chief Inspector of Mines in Mysore.

To

B.T. Kesaviengar, Esq., B.A.,
Secretary to the Government of
His Highness the Maharaja of Mysore,
Development Department,
Bangalore.

Sir,

In continuation of this office letter No.1716 dated 18th March 1932, forwarding copy of Notice issued to the Nundydroog Shareholders in the matter of acquisition of the Balaghat property, I have the honour to submit herewith for the information of Government copy of letter dated 9-4-32 received from the Superintendent, Nundydroog Mines together with its enclosures - viz: notice dated 24th March 1932 circulated to the shareholders of Nundydroog Mines, Ltd. recommending the purchase of Balaghat property under certain conditions.

The arrangements proposed in the abovementioned notice have since been ratified by the shareholders of both the Companies.

I have the honour to be,

Sir,

Your most obedient servant,

C. E. Suryanarayana Rau
CHIEF INSPECTOR OF MINES

IN MYSORE.

(1)
NUNDYRDROOG MINES, Ltd.

Directors:

V. Herbert Smith.
P.C.C. Francis.
Maj. Gen. A.C.J. DE Lotbiniere.
Edgar Taylor
Henry C. Taylor
W.L. Bayley

6, Queen Street Place,
London, E.C.4.

24th March 1932.

To the Shareholders.

The shareholders were advised in a circular dated 18th February last, that the Directors had been approached in the matter of the acquisition of the property of Balaghat Gold Mines, Ltd. which adjoins the Nundydroog Mine to the north, and that they had agreed to consider the subject.

The Directors have now given the proposition the closest study in consultation with Messrs. John Taylor & Sons, the Company's Managers, and have been in communication with Mr. W.T. Hudson, the Superintendent at the Nundydroog Mine. As a result the Directors have decided to recommend to the shareholders the purchase of the Balaghat Company's mining leases and such of its other assets as are of value to this Company.

The factors which influenced the Directors in their decision were:-

1. Some of this Company's levels in the Oriental Section have already reached the Balaghat boundary, and as the nearest shaft in the Nundydroog Mine (No.1 Auxiliary Shaft) is over 1,500 feet away, it would greatly facilitate the opening up of this northern area to have the use of the Deep Level Main Winze of the Balaghat Mine; further, the purchase would enable the lode to be followed to the north of the present boundary with the attendant chances of re-makes of profitable ore at greater depth.

2. As a result of the fire in May last, new arrangements must be made for the future ventilation of Oriental Section to take the place of Oriental Shaft and Main Winze, which have been damaged

beyond economic repair. The use of the Balaghat Shafts and workings would obviate large expenditure in this connection.

3. The contiguity of the two Companies' properties lays the Nundydroog mine open to serious damage by an influx of mine water from Balaghat if that Company were to cease pumping. To safeguard this Company against such an emergency it would undoubtedly be wise to acquire the pumping plant and other necessary machinery on the Balaghat property now in efficient working order.

4. The Balaghat Company has reserves of ore in its mine, which could be more profitably mined and milled by this Company. The Directors are advised that these reserves are estimated to yield about 14,000 ounces of gold from which, at the standard price of gold and on the terms suggested below, this Company would realise a profit of approximately £ 7,000/- which would be enhanced by any premium obtained above standard value.

As a result of negotiations with the Board of Balaghat Gold Mines, Ltd., the Directors of that Company have agreed to recommend their shareholders to sell to this Company on terms which your Directors now place before you as follows:-

For the assignment of the Mining Leases comprising 1,818 acres, the mine workings, the pumping plant, winding engines at surface and underground, electric power lines and cables, air mains, compressors, buildings, etc., required for keeping the mine unwatered, and the winding engine with all accessory plant and equipment of the Deep Level Main Winze - the sum of £ 40,000/- payable in cash spread over nine months.

For mining and milling the ore reserves, this Company to make a charge of 24 S. per ton of ore milled and after deducting from the net sale proceeds of the bullion recovered, (a) royalty of 5% payable to the Government of Mysore (b) the above charge of 24 S. per ton milled, (c) the cost of keeping the Balaghat mine free of water during the period of this working arrangements; the remaining profit to be divided as to 25% to the Nundydroog Company and 75% to the Balaghat Company.

The Nundydroog Company to take over the above

assets and commence working the ore reserves on 1st May next.

The Directors strongly recommend the above terms for acceptance by the shareholders.

The following Members of your Board are interested in Balaghat Gold Mines, Ltd. viz: Major-General A.C.J. de Lotbiniere, Mr. Henry C. Taylor and Mr. W.L. Bayley are Directors of, and shareholders in, the Balaghat Company, and Mr. Vere Herbert Smith and Mr. Edgar Taylor are holders of shares in that Company.

A draft Agreement between this Company and the Balaghat Company embodying the above terms will be submitted for approval to ~~the~~ Extraordinary General Meeting of shareholders which is called to follow the Annual General Meeting on the 6th April 1932, as per Notice enclosed. A form of proxy is sent for the use of shareholders who may be unable to attend the Meeting, and this form should be returned, after completion, in time to reach the Company's office by noon on 4th April.

By Order of the Board,

(Sd.) C.H.D. Garland,

SECRETARY.

"Copy"

C. E. Inguinaga
CHIEF INSPECTOR OF MINES

IN MYSORE.

- 9/4/32.

NUNDYDROOG MINES, LIMITED.

Directors:

V. Herbert Smith
P. C. C. Francis
Maj. Gen. A. C. J. de Lotbiniere
Edgar Taylor
Henry C. Taylor
W. L. Bayley.

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the Members of the Company will be held at Southern House, Cannon Street Station, in the City of London, on Wednesday the 6th day of April 1932, at 3 o'clock in the afternoon, or so soon thereafter as the Ordinary Annual General Meeting of the Company convened for that day shall have concluded or adjourned, for the purpose of considering and if thought fit passing the subjoined Resolution:-

RESOLUTION.

"THAT the draft agreement expressed to be made between Balaghat Gold Mines, Ltd. and this Company now submitted to this Meeting and for the purpose of identification signed by the Chairman thereof be and the same is hereby approved and that the Directors be and they are hereby authorised to enter into an agreement with Balaghat Gold Mines, Ltd. in the terms of the said draft with such (if any) modifications as they may think expedient and to carry the said agreement into effect."

this 24th day of March, 1932.

By Order of the Board,

(Sd.) C. H. D. Garland,

Secretary.

Registered Offices:-

5 & 6, Queen Street Place,
London, E.C.4.

Note.-

A copy of the draft agreement above referred to can be inspected at the registered office of the Company at any time during business hours prior to the said Meeting (Saturdays excepted).

Copy"

C. S. R. au

Chief Inspector of Mines
in Mysore.

)

Letter dated 9th April 1932 from the Superintendent,
Nundydroog Mines, Ltd., Oorgaum to the Chief Inspector of Mines in
Mysore.

London

Under instructions from our Managers I have the honour
to send you herewith copy of notice dated 24th March 1932 which
was circulated ~~to the Shareholders~~ of this Company.

We have to-day been informed, by telegraph, that the
arrangements referred to in the abovementioned notice have been
ratified by the Shareholders of the Balaghat & Nundydroog Companies.

I shall be glad if you will convey the above information
and the enclosed circular to the proper authority in the Government
of His Highness the Maharaja of Mysore.

-----0-----

" C o p y "

C. S. Rau

CHIEF INSPECTOR OF MINES

9/4/32.

IN MYSORE.

GOVERNMENT OF MYSORE

GEN. & RE. SECRETARY
12 Apr. 1932

DEVELOPMENT BRANCH

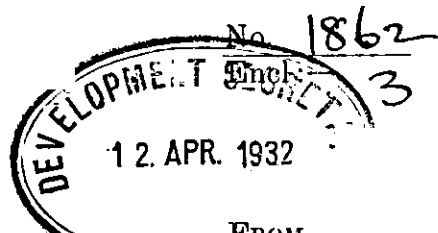
Telegraphic Address :—
"MINESPECTOR"

Sub. 69-31-3

DEPARTMENT OF MINES AND EXPLOSIVES.

OFFICE OF THE CHIEF INSPECTOR OF
MINES IN MYSORE.

Dated Oorgaum, 11th April 1932.
(S. India).



FROM

C. E. SURYANARAYANA RAU, Esq., Mem. A.I.M.E., &C.,
Chief Inspector of Mines in Mysore.

TO

B.T. Kesaviengar, Esq., B.A.,
Secretary to the Government of
His Highness the Maharaja of Mysore,
Development, Bangalore.

Sir,

In continuation of this office letter No.1855 dated 9th April 1932 regarding acquisition of Mining Leases issued to Balaghat Gold Mines, Ltd. by Nundydroog Mines, Ltd., I have the honour to submit herewith for the information of Government copy of letter dated 11th April 1932 together with copies of its enclosures received from the Superintendent, Balaghat Gold Mines, Ltd. stating that the scheme outlined in the enclosed circular letter has been ratified.

Certain formalities have to be observed regarding this assignment and the Balaghat Superintendent's letter referred to above together with its enclosures has therefore been sent to the Director, Department of Geology for information and taking necessary action in the matter.

I have the honour to be,

Sir,

Your most obedient servant,

C. E. Suryanarayana Rau
CHIEF INSPECTOR OF MINES

IN MYSORE.

R.S.

Letter dated 11th April 1932 from the Superintendent,
Balaghat Gold Mines, Ltd., Coromandel, to the Chief Inspector
of Mines in Mysore, Kolar Gold Field.

Acting under instructions received from our London Managers,
I have the honour to enclose herewith copy of a circular issued
to the Shareholders of this company under date of March 24th 1932.

I have since received advice from the Managers that the
scheme outlined in the above circular has been ratified and I
have to request that you will be so good as to cause this informa-
tion together with the enclosed circular, to be furnished to the
Department concerned in the Government of His Highness the Maharaja
of Mysore.

'Copy'

C. E. S. Rau

Chief Inspector of Mines
in Mysore.
11/4/1932.

BALAGHAT GOLD MINES, LIMITED.

.....:oOo:.....

Directors:

Ernest R. Woakes.

Maj.Gen.A.C.J.De Lotbiniere. ===o=== 6, Queen Street Place,

Henry C. Taylor. London, E.C.4.

W. L. Bayley.

24th March 1932.

TO THE SHAREHOLDERS.

The shareholders were advised in a circular dated 18th February last that after reviewing the circumstances of the Company in relation to the mining outlook and the limited resources available for further exploration, the Directors were of the opinion that the disposal of the property would be in the best interests of shareholders, if favourable terms could be obtained.

During the past three years exploration work in the Mine in search of new ore shoots has been attended with little success, and with the small tonnage of ore now remaining in reserve a declining output is inevitable. Although at one time values in the 48th level North and 51st level North encouraged the expectation of the discovery of a new ore shoot, further development work proved the lode values to be erratic and of no substantial importance. Developments at the 53rd and 55th levels likewise proved disappointing, and present little prospect of being in the near vicinity of an ore zone. The chances, therefore, of developing fresh ore shoots of economic advantage to the Company within its financial resources can only be considered remote.

After consultation with Messrs. John Taylor & Sons, the Company's Managers, and a close study of all the circumstances, it was clear to the Board that of the alternatives reviewed a sale to Nundydroog Mines, Limited, presented chances of obtaining the most advantageous terms, for the reason that the ventilation and other facilities afforded by the use of the Balaghat mine workings would be of value to that Company,

who could also mine and mill the reserves of ore remaining in the Balaghat mine more profitably than could otherwise be done.

The Directors are advised that the ore reserves are estimated to yield about 14,000 ounces of gold, from which, at the standard price of gold and on the terms suggested below, this Company would realise a profit of approximately £21,000 and this sum would be enhanced by any premium obtained over standard value.

As a result of negotiations with the Board of Nundydroog Mines, Limited, the Directors of that Company have agreed to recommend to their shareholders the acquisition of this Company's Mining Leases and certain of its other assets, and to undertake the mining and milling of this Company's remaining ore reserves on the following terms, viz.:-

For the assignment of the Mining Leases comprising 1,818 acres, the mine workings, the pumping plant, winding engines at surface and underground, electric power lines and cables, air mains, compressors, buildings, etc., required for keeping the mine unwatered, and the winding engine with all accessory plant and equipment of the Deep Level Main Winze - the sum of £40,000, payable in cash spread over nine months.

For mining and milling the ore reserves, Nundydroog Mines, Limited, to make a charge of 24s. per ton of ore milled, and after deducting from the net sale proceeds of the bullion recovered, (a) royalty of 5% payable to the Government of Mysore, (b) the above charge of 24s. per ton milled, (c) the cost of keeping the Balaghat Mine free of water during the period of this working arrangement; the remaining profit to be divided as to 75% to Balaghat Gold Mines, Limited and 25% to Nundydroog Mines, Limited.

The Nundydroog Company to take over the
above assets and commence working the ore
reserves on 1st May next.

The Directors are of the opinion that these terms are the most
satisfactory that could be obtained and strongly recommend them for the
acceptance of shareholders.

The materials and stores of a movable nature and such disposable
plant and machinery as are not included in the terms of purchase, would
be realised for account of this Company as opportunity offered.

Your Directors are interested in Nundydroog Mines, Limited, as
follows: Major-General A. C. J. de Lotbiniere, Mr. Henry C. Taylor
and Mr. W. L. Bayley are Directors of, and shareholders in, Nundydroog
Mines, Limited, and Mr. Ernest R. Woakes is a holder of shares in that
Company.

A draft agreement between this Company and Nundydroog Mines,
Limited, embodying the above terms will be submitted for approval to
an Extraordinary General Meeting of shareholders which is called to
follow the Annual General Meeting on the 6th April, 1932, as per Notice
enclosed. A form of proxy is sent for the use of shareholders who may
be unable to attend the meeting and this proxy should be returned, after
completion, in time to reach the Company's office by 11 o'clock a.m. on
the 4th April.

By Order of the Board,

C. H. D. Garland,
Secretary.

"Copy"

C. E. S. Raw

CHIEF INSPECTOR OF MINES

IN MYSORE.
11/4/1932.

D.S.R.

BALAGHAT GOLD MINES, LIMITED.

=====

Directors:

Ernest R. Woakes.
Maj.-Gen.A.C.J.De Lotbiniere
Henry C. Taylor.
W. L. Bayley.

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the Members of the Company will be held at Southern House, Cannon Street Station, in the City of London, on Wednesday, the 6th day of April, 1932, at 12-15 o'clock in the afternoon, or so soon thereafter as the Ordinary Annual General Meeting of the Company convened for that day shall have concluded or adjourned for the purpose of considering and if thought fit passing the subjoined Resolution:-

•RESOLUTION.

"THAT the draft agreement expressed to be made between this Company and Nundydroog Mines, Limited now submitted to this Meeting and for the purpose of identification signed by the Chairman thereof be and the same is hereby approved and that the Directors be and they are hereby authorised to enter into an agreement with Nundydroog Mines Limited in the terms of the said draft with such (if any) modifications as they may think expedient and to carry the said agreement into effect."

DATED this 24th day of March 1932.

By Order of the Board,

C. H. D. Garland,
Secretary.

Registered Offices:-

5 & 6, Queen Street Place,
London, E.C.4.

=====

NOTE.- A copy of the draft agreement above referred to can be inspected at the registered office of the Company at any time during business hours prior to the said Meeting (Saturdays excepted).

"Copy"

C.E.S. Rau

CHIEF INSPECTOR OF MINES

IN MYSORE.

11/4/1932.

D.S.R.

file 69-31-4

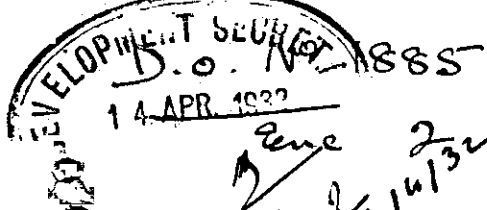
D. M. F. 31.]

Telegraphic address:
"MINESPECTOR."

DEPARTMENT OF MINES AND EXPLOSIVES.

OFFICE OF THE CHIEF INSPECTOR OF MINES
IN MYSORE.

Dated, Oorgaum, 13th April 1932.



CONFIDENTIAL
GEN. & RE. 3897
14 APR 1932
SECRETARY

Dear Sir,

DEVELOPMENT BRANCH

In continuation of my letter No. 1862 dated the 11th April 1932, I beg to submit herewith for the consideration of Government a brief note on the assignment of Balaghat Mining Company's Mining Leases to the Nundydroog Mines Ltd., with certain recommendations.

Yours sincerely,

C. E. Srinivasan

-B. T. Kesaviengar, Esq., B.A.,
Secretary to the Government of His Highness
the Maharaja of Mysore, Development Dept.,
Bangalore.

(13)

C O N F I D E N T I A L .

A BRIEF NOTE ON THE ASSIGNMENT OF BALAGHAT COMPANY'S MINING LEASES
TO THE NUNDYDROOG MINES, LIMITED
WITH CERTAIN RECOMMENDATIONS.

=====:O:=====

The question is many times asked by many leading men why the Mysore Government has no gold Mine of its own although it has been running many other industrial concerns in the State on a commercial basis. Enquiries were instituted in 1916 to re-open East Betaraya-swami Mine after the Mysore Mine gave up its option of working this property and the scheme then proposed did not materialise as it was feared that the mine, being far away from the working mines, may not open up well.

The Balaghat Mine, which is now proposed to be assigned to Nundydroog Mine subject to certain working conditions, is situated immediately north of Nundydroog Mine and was till recently paying dividends. The history of this mine can be learnt at a glance from the accompanying chart. It somehow managed to pull through periods of adversity in the past but has now reached a stage where it has not been possible to make both ends meet. The ore reserves have dwindled down to a few months supply and the working costs have gone up owing to smaller tonnage handled through a number of small antiquated shafts for want of a suitable main shaft of modern type connected with the deep level workings. Nundydroog Mine has great facilities to work the remaining tonnage with profit to both companies. The main factors which influenced the Directors of the Nundydroog Company to negotiate for the purchase of Balaghat Mining Leases are clearly set forth in the circular letter dated 24-3-1932 addressed to the shareholders of that company:-

They are-

1. Some of this Company's levels in the Oriental Section have already reached the Balaghat boundary, and as the nearest shaft in the Nundydroog mine (No.1 Auxiliary Shaft) is over 1,500 feet away, it would greatly facilitate the opening-up of this northern area to have the use of the Deep Level Main Winze of the Balaghat Mine; further, the purchase would enable the lode to be followed to the north of the present boundary with the attendant chances of re-makes of profitable ore at greater depth.

2. As a result of the fire in May last, new arrangements must be made for the future ventilation of Oriental section to take the place of Oriental shaft and Main Winze, which have been damaged beyond economic repair. The use of the Balaghat shafts and workings would obviate large expenditure in this connection.

3. The contiguity of the two Companies' properties lays the Nundydroog Mine open to serious damage by an influx of mine water from Balaghat if that Company were to cease pumping. To safeguard this Company against such an emergency it would undoubtedly be wise to acquire the pumping plant and other necessary machinery on the Balaghat property now in efficient working order.

4. The Balaghat Company has reserves of ore in its mine, which could be more profitably mined and milled by this Company. The Directors are advised that these reserves are estimated to yield about 14,000 ounces of gold from which, at the standard price of gold and on the terms suggested below, this Company would realise a profit of approximately £7,000 which would be enhanced by any premium obtained above standard value.

It will be seen from this letter that the price for Balaghat property has been fixed at £40,000/-. Against this, there is an . estimated output of 14,000 ozs. of gold in the mine, valued at £77,000 . The working costs to recover this gold amounts to about £47,000/-, leaving a profit of about £30,000/- against the purchase price of £40,000/-. In these calculations no credit has been given to Building Plant. Machinery, Cyanide Works, etc. which have been assessed at - vide Directors' Report for the year 1931-32 as per balance sheet/ending 31st December 1931. Copy enclosed for reference.

It will therefore be seen that the purchase price and the assets are almost equal and there is every chance of new ^{ore}/shoots being discovered in the future provided the mine is sufficiently deepened and diligently developed. Instances are not wanting on this Field where poor zones of ground have been followed by rich payable ore shoots in depth. Champion Reef Mine is a living example. The Tank block Mine and Oriental Mine, which were given up as being unpayable and which later were absorbed by Nundydroog Mine, have in later years proved excellent propositions. Similar results may reasonably be expected from the future working of Balaghat Mine. If the expectations are realised, the £40,000/- now invested - with luck - may be recouped within a very short time.

Take for instance the case of Swarnakuppam Tank tailings. These had been sold away to Nundydroog Mine for a lumpsum payment of Rs.5,000/- in the first instance and a thousand rupees per annum is now being levied for the right of taking these sands. The treatment of these tailings has yielded roughly about 13,000 ozs. valued at £65,000/- up-to-date and this work is still continuing with every prospect of recovering more gold.

If therefore we take a bold step at this juncture and invest £40,000/- to buy up Balaghat properties and enter into negotiations with the Nundydroog Mines for its future working, say on a profit sharing scheme, we shall have a gold mine of our own and if it does well, I see no reason why it should not, taking the general experience on this Field, we shall have recouped our investment in a very short time. If we can secure the same terms as are contemplated at present under the assignment there is a profit of about £30,000 on the gold in sight in the mine as per calculations overleaf, of which £21,000 by agreement belongs to Balaghat Mine or its successors. In addition to this there are the assets of the mine as detailed in the Balance sheet. The price demanded therefore seems very reasonable.

ASSIGNMENT OF BALAGHAT PROPERTIES TO NUNDYDROOG.

Selling price to Nundydroog	£ 40,000
-----------------------------	----------

Estimated profit	£ 7,000
------------------	---------

Balance	£ 33,000
---------	----------

Estimated output from Mine 14,000 ozs. or 28,000 Tons
valued at $\frac{1}{2}$ oz. per ton.

Working expenses	...	28,000 x 24 Sh.
------------------	-----	-----------------

20) 672,000
33,600 £

Expected realisations on estimated output of 14,000 ozs.
@ £ 5½ per oz.:-

i.e. estimated value	£ 77,000
----------------------	----------

Deduct:-

(1) Working expenses	£ 33,600
----------------------	----------

(2) Approximate Royalty on estimated value	" 3,850
---	---------

(3) Approx: pumping. charges during the period of working	" 10,000
---	----------

£ 47,450

or Roughly	...	£ 47,000
------------	-----	----------

Balance profit expected	..	£ 30,000
-------------------------	----	----------

Profit estimated by the Purchaser	..	£ 28,000
-----------------------------------	----	----------

i.e. £ 21,000 to Balaghat

£ 7,000 to Nundydroog

It is however a point for consideration whether Nundydroog would agree to the same terms with a third party. If we can acquire by purchase the Balaghat property, a profit sharing proposition suggested above may be considered by Nundydroog Mine, as in this case the latter mine has to incur heavy expenditure not only on future development work but also to prevent the mine from flooding.

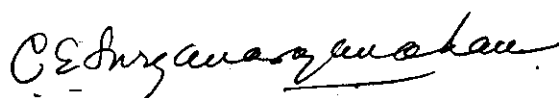
There is no doubt an element of risk involved in all mining concerns and without risk there can be no gain. The Government have realised from the Gold Mines in the shape of royalty £3,784,256/- ~~from the gold mines~~ and an investment of £40,000/- out of this sum seems worth risking. The immediate future for Balaghat as a separate unit is discouraging - hence these negotiations with Nundydroog Mine - but coupled with Nundydroog, there is every chance for improvement for reasons stated above. Nundydroog is a comparatively shallow mine and it will be many years before it can reach the depths at which the neighbouring properties viz: Ooregum and Champion Reef have been working at present. It has great potentialities to reach those depths.

My anxiety ^{is} drawing up this note is to secure to Government, if possible, a piece of gold bearing land in close proximity to a successfully operating mine in the full belief, based on past experience, that it may at some future date form a valuable asset, even though its immediate present prospect is not bright. It is not intended to commit Government to any further expenditure than the mere purchase price of £40,000/- at present, with the immediate prospect of realising half that amount, leaving the other half fully covered by the assets as per balance sheet. Neither is it intended to work the mine under Government Agency. Its future working should be entrusted to Nundydroog Mines, under certain working arrangements, reserving to Government the right to share the profits.

I submit this proposition for the consideration of Government with the knowledge of our present financial condition, as I fear there
may

may not be another chance to acquire a property so favourably situated adjoining a prosperous mine, with the attendant chances of remakes of profitable ore at greater depths.

Oorgaum, K.G.F.,
13/4/1932.
D.S.R.


CHIEF INSPECTOR OF MINES
Rs . IN MYSORE.

Telegraphic Address:—"GEOL."

MYSORE GEOLOGICAL DEPARTMENT,

No. 6141-11.Bangalore, ... 25th April 193²*En: one file.*

FROM



P. SAMPAT IYENGAR, Esq., M.A.,

*Director of Geology in Mysore,
Bangalore.*

To

*ms
1574*

B.T.Kesaviengar, Esq., B.A.,

Secretary to the Government of His

Highness the Maharaja of Mysore,

SIR,

Development Department, Bangalore.

I have the honour to forward herewith for information copies of correspondence relating to the Assignment (practically a sale) of the Balaghat Gold Mines Ltd., Mining leases (three in number) comprising 1818.12 acres to the Nundydroog Mines Ltd., on the terms specified in the companies notes circulated to the shareholders (enclosures A & B). The reasons for the transfer are also given therein.

I am advised that the assignment has been ratified by both the companies shareholders; and that the Deed of Assignment which is expected to be in the hands of the Superintendents of the two companies at Kolar Gold Fields on or about the 24th April, will be duly executed and Registered before the 1st May 1932. In this connection Mr. W.T. Hudson and Mr. C.N.Keith, Superintendents of Nundydroog and Balaghat, who represent the respective companies, will be meeting me to-morrow. After going through the Deed of Assignment I shall submit my views to Government.

I have the honour to be,
Sir,
Your most obedient servant,

P. Sampat Iyengar
Director,
Mysore Geological Department.

Copy of letter dated 21st April 1932 from the Superintendent Balaghat Gold Mines, Ltd., Coromandel, to the Director of Geology in Mysore, Bangalore.

"I have the honour to state, in reference to my letter dated 11th instant advising you through the Chief Inspector of Mines, that an agreement had been ratified by the Balaghat and Nundydroog Companies in London in accordance with terms specified in the circular dated 24th March which was included in my letter, *Your* acknowledgment dated 14th April and my further letter to you of 15th idem, that I have now been instructed by the Managers, Messrs. John Taylor & Sons, to advise you that the Deed of Assignment of Balaghat Company Lease to the Nundydroog Company has been forwarded to me and is due to reach me on or about 24th April together with the Power of Attorney to enable me to execute the assignment on behalf of the Balaghat Company.

In like manner Mr. W.T. Hudson, Superintendent of Nundydroog will represent his Company and will duly ~~advise~~ advise you to this effect.

On its execution by both parties, the assignment will be registered in Bangalore on or before 1st May 1932 and the stamp duty upon the sum of £ 40,000 will be paid to Government.

I have also the honour to advise you that in accordance with clause 27 of the Balaghat Mining Leases a copy of the assignment will be forwarded to Government in due course.

Nundydroog Mine is, as you are aware, a fully equipped Mine and will take over the Balaghat lease as a going concern with the intention of developing the property in the hope of discovering eventually new payable ore bodies.

It will be evident to you therefore that there will be some redundant machinery, plant and buildings on Balaghat that will not be required for any useful purpose - notably the Reduction Plant as all ore won from Balaghat will be treated in the Nundydroog Plant.

Such plant and buildings will with the concurrence of Government be dismantled and the materials disposed of if possible.

I have the honour to request Government's early concurrence in the matter of such plant, more particularly the Balaghat Mill, since the final gold recoveries are dependent upon uninterrupted

continuity of operations."

N. Sampath Kumar

D i r e c t o r,
Mysore Geological Department.
1968

Copy of letter dated 15th April 1932 from The Superintendent, Balaghat Gold Mines, Ltd., to the Director of Geology, Bangalore.

I have the honour to acknowledge your letter No.6141-6 dated 14th instant, and thank you for the advice therein contained.

As requested, I shall have pleasure in forwarding to you all particulars and communications in the matter of the disposal of the Balaghat Gold Mines to the Nundydroog Mines, Ltd, on receipt of such information from our London Managers."



Director,

Mysore Geological Deptt.

BS

(24)

Copy of ^{my}~~our~~ letter dated 14th April 1932 to the
Supdt., Balaghat Gold Mines, Ltd., Coromandel.

"I have the honour to inform you that the Chief Inspector of Mines in Mysore has forwarded to me your letters to him regarding the disposal of the Balaghat Gold Mines to the Nundydroog Mines Ltd., as it is this Department that has to deal with the subject. It is requested therefore that further particulars regarding this matter which you say are being forwarded by your managers by Air mail may be arranged to be forwarded to the undersigned for necessary action."

N. Sampat Reddy

D i r e c t o r,
Mysore Geological Deptt.

Bs. 25/4

25

dated 12th April 1932

Copy of letter from the Superintendent, Balagha Gold Mines Ltd., to the Chief Inspector of Mines in Mysore, Oorgaum.

"I have the honour to acknowledge, with thanks, the receipt of your letter No.1864 dated 11th instant, and note the formalities to be observed in the assignment of this property to Nundydroog Mines, Ltd.

These will be further referred to on receipt of the instructions being forwarded by our Managers vide my letter dated 11th instant.

In the meantime it is correct for you to consider my letter of the 11th instant above referred to as an applications for consent of assignment."

Sampat Singh

Director,
Mysore Geological Deptt.

Bs.25/4

26

Copy of letter dated 11th April 1932 from the Chief Inspector of Mines to the Superintendent, Balaghat Gold Mines, Coromanda

"I have the honour to acknowledge receipt of your letter of even date together with its enclosures stating that you have since received advice from the Managers that the scheme outlined in the circular enclosed in your letter - regarding assignment of your Mining Leases to the Nundydroog Mines, Ltd., under certain conditions has been ratified.

The following formalities have to be observed regarding this assignment.

1 The assignment of a Mining lease requires the previous consent of Government in writing and the application for such consent should be made by the lessee or his legal representative.

2 The Lessee should report the name and financial position of the assignee and also submit to the Director, Department of Geology, for the approval of the Government a draft of the proposed deed of assignment.

3. If the Government consent to the transfer, the deed of assignment or transfer will, within such period as may be fixed, be duly stamped and registered and a certified copy of the same forwarded, within three months of the date of its execution to the Director, Department of Geology. When these have been done the consent of the Government to the transfer will be duly endorsed on the license or lease, which will be returned to the licensee or lessee. Until such endorsement has been made no assignment or transfer of rights shall be valid.

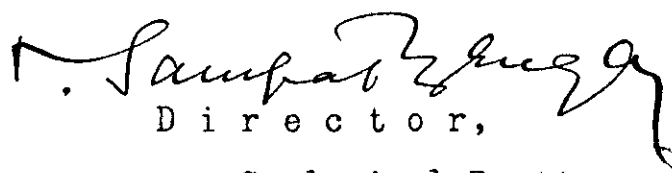
I presume there will be no ~~fixd~~ difficulty to consider your letter as an application for consent of assignment. I am sending this day copies of your letter together with its enclosure to the Secretary to Government of Mysore Development Department, for information and to the Director of Geology, for information and necessary action".


Director,
Mysore Geological Department.
10/4/32

27

Copy of letter dated 11th April 1932 from the
Supdt., Balaghat Gold Mines, Ltd., to the Chief Inspec-
tor of Mines, Oorgaum.

" In continuation of my letter of even date,
I have the honour to advise that full instructions
regarding the disposal of Balaghat Gold Mines, Ltd.,
to Nundydroog Mines, Ltd., are being forwarded by
our Managers by Air Mail, and any further matters
of importance in connection therewith will be commu-
nicated to you in due course."


Director,

Mysore Geological Deptt.

ms

Bs.25/4

Copy of letter dated 11th April 1932 from The
Supdt., Balaghat Gold Mines, Ltd., to the Chief Ins
pector of Mines in Mysore, Oorgaum.

28

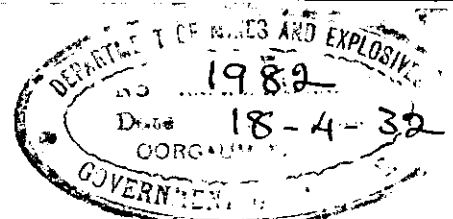
"Acting under instructions received from our
London Managers, I have the honour to enclose herewith
copy of a circular issued to the shareholders of this
company under date of March 24th 1932.

I have since received advice from the Managers
that the scheme outlined in the above circular has
been ratified and I have to request that you will be
so good as to cause this information together with the
enclosed circular, to be furnished to the Department
concerned in the Government of His Highness the
Maharaja of Mysore."


Director,

Mysore Geological Department.

Bs.25/4



BALAGHÂT GOLD MINES, LIMITED.

Directors:
ERNEST R. WOAKES.
Maj.-Gen. A. C. J. DE LOTBINIÈRE.
HENRY C. TAYLOR.
W. L. BAYLEY.

6, QUEEN STREET PLACE,
LONDON, E.C.4.

24th March, 1932.

To the Shareholders.

The shareholders were advised in a circular dated 18th February last that after reviewing the circumstances of the Company in relation to the mining outlook and the limited resources available for further exploration, the Directors were of the opinion that the disposal of the property would be in the best interests of shareholders, if favourable terms could be obtained.

During the past three years exploration work in the Mine in search of new ore shoots has been attended with little success, and with the small tonnage of ore now remaining in reserve a declining output is inevitable. Although at one time values in the 48th Level North and 51st Level North encouraged the expectation of the discovery of a new ore shoot, further development work proved the lode values to be erratic and of no substantial importance. Developments at the 53rd and 55th Levels likewise proved disappointing, and present little prospect of being in the near vicinity of an ore zone. The chances, (therefore,) of developing fresh ore shoots of economic advantage to the Company within its financial resources can only be considered remote.

After consultation with Messrs. John Taylor & Sons, the Company's Managers, and a close study of all the circumstances, it was clear to the Board that of the alternatives reviewed a sale to Nundydroog Mines, Limited, presented chances of obtaining the most advantageous terms, for the reason that the ventilation and other facilities afforded by the use of the Balaghât mine workings would be of value to that Company, who could also mine and mill the reserves of ore remaining in the Balaghât mine more profitably than could otherwise be done.

The Directors are advised that the ore reserves are estimated to yield about 14,000 ounces of gold, from which, at the standard price of gold and on the terms suggested below, this Company would realise a profit of approximately £21,000 and this sum would be enhanced by any premium obtained over standard value.

As a result of negotiations with the Board of Nundydroog Mines, Limited, the Directors of that Company have agreed to recommend to their shareholders the acquisition of this Company's Mining Leases and certain of its other assets, and to undertake the mining and milling of this Company's remaining ore reserves on the following terms, viz. :—

For the assignment of the Mining Leases comprising 1,818 acres, the mine workings, the pumping plant, winding engines at surface and underground, electric power lines and cables, air mains, compressors, buildings, etc., required for keeping the mine unwatered, and the winding engine with all accessory plant and equipment of the Deep Level Main Winze—the sum of £40,000, payable in cash spread over nine months.

For mining and milling the ore reserves, Nundydroog Mines, Limited, to make a charge of 24s. per ton of ore milled, and after deducting from the net sale proceeds of the bullion recovered, (a) royalty of 5% payable to the Government of Mysore, (b) the above charge of 24s. per ton milled, (c) the cost of keeping the Balaghât Mine free of water during the period of this working arrangement; the remaining profit to be divided as to 75% to Balaghât Gold Mines, Limited, and 25% to Nundydroog Mines, Limited.

The Nundydroog Company to take over the above assets and commence working the ore reserves on 1st May next. ✓

The Directors are of the opinion that these terms are the most satisfactory could be obtained and strongly recommend them for the acceptance of shareholders.

The materials and stores of a movable nature and such disposable plant and machinery as are not included in the terms of purchase, would be realised for account of this Company as opportunity offered.

Your Directors are interested in Nundydroog Mines, Limited, as follows :
Major-General A. C. J. de Lotbinière, Mr. Henry C. Taylor and Mr. W. L. Bayley
are Directors of, and shareholders in, Nundydroog Mines, Limited, and
Mr. Ernest R. Woakes is a holder of shares in that Company.

A draft agreement between this Company and Nundydroog Mines,
Limited, embodying the above terms will be submitted for approval to an
Extraordinary General Meeting of shareholders which is called to follow the
Annual General Meeting on the 6th April, 1932, as per Notice enclosed. A form
of proxy is sent for the use of shareholders who may be unable to attend the
meeting and this proxy should be returned, after completion, in time to reach
the Company's office by 11 o'clock a.m. on the 4th April.

By Order of the Board,

C. H. D. GARLAND,
Secretary.

28-4-32


BALAGHÂT GOLD MINES, LIMITED.

Directors:
ERNEST R. WOAKES.
Maj.-Gen. A. C. J. DE LOTBINIÈRE.
HENRY C. TAYLOR.
W. L. BAYLEY.

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the Members of the Company will be held at Southern House, Cannon Street Station, in the City of London, on Wednesday, the 6th day of April, 1932, at 12.15 o'clock in the afternoon, or so soon thereafter as the Ordinary Annual General Meeting of the Company convened for that day shall have concluded or adjourned for the purpose of considering and if thought fit passing the subjoined Resolution :—

RESOLUTION.

THAT the draft agreement expressed to be made between this Company and Nundydroog Mines Limited now submitted to this Meeting and for the purpose of identification signed by the Chairman thereof be and the same is hereby approved and that the Directors be and they are hereby authorised to enter into an agreement with Nundydroog Mines Limited in the terms of the said draft with such (if any) modifications as they may think expedient and to carry the said agreement into effect."

Dated this 24th day of March, 1932.

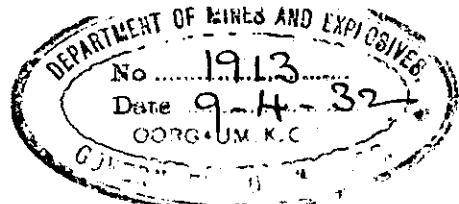
By Order of the Board,

C. H. D. GARLAND,
Secretary.

Registered Offices :—

5 & 6, Queen Street Place,
London, E.C.4.

NOTE.—A copy of the draft agreement above referred to can be inspected at the registered office of the Company at any time during business hours prior to the said Meeting (Saturdays excepted).



BALAGHÂT GOLD MINES, LIMITED.

REPORTS AND STATEMENTS OF ACCOUNT For Year ending 31st December, 1931

TO BE PRESENTED AT THE

GENERAL MEETING

6th April, 1932.

Balaghât Gold Mines, Limited.

NOTICE IS HEREBY GIVEN that the TWELFTH
ORDINARY GENERAL MEETING of this Company will be
held at Southern House, Cannon Street Station, in the
City of London, on Wednesday, the 6th day of April, 1932,
at 11.45 o'clock a.m. :—

To receive the Reports and Accounts ;

To elect a Director ;

To appoint Auditors in place of those retiring ;

And for other General Business.

By Order of the Board,

C. H. D. GARLAND,

Secretary.

Registered Offices :

5 & 6, QUEEN STREET PLACE,

LONDON, E.C.4.

24th March, 1932.

Balaghât Gold Mines, Limited.

Directors.

ERNEST R. WOAKES, Esq. (*Chairman*).

MAJOR-GEN. A. C. J. DE LOTBINIÈRE, C.B., C.S.I., C.I.E.

HENRY C. TAYLOR, Esq.

W. L. BAYLEY, Esq.

Managers and Consulting Engineers.

MESSRS. JOHN TAYLOR & SONS.

Secretary.

C. H. D. GARLAND, F.C.I.S.

Offices.

5 & 6, QUEEN STREET PLACE, LONDON, E.C.4.

Balaghāt Gold Mines, Limited.

REPORT OF THE DIRECTORS

*To be presented to the Shareholders at the Twelfth
Ordinary General Meeting of the Company
to be held at Southern House, Cannon Street
Station, London, E.C.4, on Wednesday, the
6th day of April, 1932, at 11.45 o'clock a.m.*

The Directors submit their Report and the
audited accounts for the year ended 31st December,
1931.

During the year 41,850 tons of ore were
treated, which produced 25,835 ounces of fine
gold, an increase of 3,399 ounces as compared
with the year 1930.

The average extraction was 12 dwts. 8 grains
per ton, which was 1 dwt. higher than in the
previous year.

The value of the bullion returned, including
a small adjustment for 1930, was £123,066 16s. 11d.
This includes the additional revenue obtained

from the higher selling price of gold during the latter part of the year, which raised the average for the whole year to £4 15s. 1½*d.* per ounce, as against £4 4s. 6*d.* per ounce in the preceding 12 months. Deducting royalty, and adding Interest, Rents, etc. the total receipts on Revenue Account were £117,743 11s. 4*d.*

The total expenditure was £103,366 15s. 9*d.* leaving a profit of £14,376 15s. 7*d.* as compared with a loss of £6,797 7s. 3*d.* in the previous year.

The credits to Profit and Loss Account, including interest and dividends on investments, etc., £2,270 13s. 6*d.*, and £5,500 transferred from Development Suspense Account, amounted to £22,147 9s. 1*d.*; after charging the debit balance of £206 2s. 6*d.* brought forward, a credit of £21,941 6s. 7*d.* remains.

As an Extraordinary General Meeting has been called to consider the policy of the Company, the Directors have deferred the declaration of a dividend for the year 1931 until after the holding of that Meeting.

The expenditure on Buildings, Machinery and Plant was £3,083 1s. 10*d.*

The Company's liquid assets, after deducting liabilities, at the end of 1931 amounted to £68,977 14s. 4d. Materials and Stores were valued at £19,697 3s. 7d. and Machinery and Goods in transit at £1,096 13s. 6d.

The reserves of ore in the mine were estimated on 31st December last at 19,754 tons, showing a decrease of 21,769 tons.

A vigorous policy of exploration was continued throughout the year, but further development of the areas which held out promise at the close of the previous year did not result in the discovery of new ore shoots, and exploration work at the deepest levels was also disappointing.

A copy of the Superintendent's report, extracts from which are given below, may be obtained by any shareholder on application to the Secretary. He writes:—

The encouraging results obtained by the development work done in 1930 were, unfortunately, not maintained in 1931, for although the 51st Level North of No. 3 Winze continued all through the year on a well-marked lode, the gold content was consistently low, except for a small patch too short in length to be of economic value.

The whole length of quartz exposed amounted to 443 feet, the average assay value being a trace over an average width of 20 inches.

In the 53rd Level North of No. 3 Winze the effort made to reach a point sufficiently far North to expose the ground below the run of rich ore found in the 51st Level, referred to in my last Annual Report, was successful, but the lode was small and poor, and Winzes connecting the 51st with the 53rd Levels proved the good ore to be without continuity in depth. The lode in the 53rd Level, though narrow and poor, is well defined and the wall rocks are favourable in character.

Development at the 55th Level North of No. 3 Winze has been much retarded by rock-bursts and, consequently, indications afforded by this point have been meagre, yet, viewed on the whole, the prospect of continued development northwards, and in depth, holds out a reasonable hope of discovering a payable ore-body.

Mr. Kenneth B. Taylor, one of the Managers, returned last month from a visit to the Mines.

The Directors wish to express their appreciation of the valuable services rendered by Lt.-Col. C. N. Keith, the Superintendent, and by the staff at the Mines, and are pleased to record the efficient work of the Chief Medical Officer and staff in maintaining the general health of the camp.

It is with very great regret that the Directors have to report the death, on 3rd October last, of Mr. Arthur E. Taylor, one of their colleagues, and a partner in the firm of Messrs. John Taylor & Sons.

Major-General A. C. J. de Lotbinière, C.B.,
retires from the Board at the General Meeting,
and being eligible, offers himself for re-election.

The Auditors, Messrs. James, Edwards, Brown
& Harding, retire, and are eligible for re-appoint-
ment.

By Order of the Board.

C. H. D. GARLAND,

Secretary.

LONDON, 18th March, 1932.

BALAGHÂT GOLD MINES, LIMITED.

GOLD RETURNS—Year ending 31st December, 1931.

MONTH. 1931.	Current Ore treated. Tons.	Fine Gold produced. Ozs.	Extraction per ton. Dwts. grs.	AMOUNT REALISED.
				£ s. d.
January ...	3,600	2,105	11 17	8,133 15 1
February...	3,100	2,089	13 11	9,310 1 3
March ...	3,000	2,108	14 1	9,084 8 0
April ...	3,350	2,109	12 14	8,777 13 7
May ...	3,750	2,108	11 6	8,794 1 8
June ...	3,350	2,004	11 23	8,298 17 7
July ...	3,750	2,208	11 18	8,980 10 7
August ...	3,700	2,110	11 10	10,543 19 7
September	3,600	2,107	11 17	10,716 1 7
October ...	3,600 Base Bar	2,103 520	11 16 } }	14,094 0 8
November	3,450	2,154	12 12	13,237 16 11
December	3,600	2,110	11 17	*12,924 11 6
	41,850	25,835	12 8	£122,895 18 0

* Estimated.

The total Returns from the Mine (1890 to 1931) have amounted to 851,542 Fine Ounces of Bullion, which realised £3,729,252 4s. 5d.

ACCOUNTS.

BALAGHAT GOLD

BALANCE SHEET,

Dr.

To Capital—

Authorised.

£ s. d. £ s. d.

95,400 10% Non-Cumulative Preference Shares of 10s. each ...	47,700	0	0
212,600 Ordinary Shares of 10s. each ...	106,300	0	0
308,000	<u>£154,000</u>	0	0

Issued.

95,400 10% Non-Cumulative Preference Shares of 10s. each, credited as fully paid ...	47,700	0	0
212,523 Ordinary Shares of 10s. each, upon which 6s. per share has been credited as paid, and 4s. per share called up	106,261	10	0
7 Subscribers' Ordinary Shares of 10s. each, fully paid ...	3	10	0
307,930	<u>153,965</u>	0	0

„ Amounts received and credited on Forfeited Shares				31	19	7
„ Sundry Creditors in England and India ...	12,049	8	9			
„ Unclaimed Dividends	12	16	2			
„ Insurance and Contingency Fund ...				12,062	4	11
„ Profit and Loss—				1,741	5	9
Balance, 31st December, 1931 ...				21,941	6	7

ERNEST R. WOAKES,

W. L. BAYLEY,

} Directors.

We report to the Shareholders that we have audited the above Balance Sheet with the Books in London and the signed Accounts received from India, and having received all the information and explanations we have required as Auditors, are of opinion that, subject to the value of the Shares held in other Companies, it is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company and Accounts received from India.

JAMES, EDWARDS, BROWN & HARDING, Auditors.
Chartered Accountants.

5, COLEMAN STREET, LONDON, E.C.,
21st March, 1932.

£189,741 16 10

MINES, LIMITED.

31st December, 1931.

Cr.

£	s.	d.	£	s.	d.
43,782	6	3			
By Purchase of Mining Rights as per Balance Sheet, 31st December, 1930, at cost ...					
Buildings, Plant, Machinery, Cyanide Works &c., as per Balance Sheet, 31st December, 1930					
36,108	10	2	Add—Further Expenditure to date ...		
3,083	1	10	39,191	12	0
430	10	3	Deduct—Sales and Sundry Credits ...		
38,761.	1	9	At cost, less amounts written off ...		
Shareholdings in other Mining Companies					
The Kolar Mines Power Station, Ltd.—					
3,850 Shares of £1 each, fully paid ...					
3,850	0	0	Materials and Stores, as per Inventory signed by the Superintendent ...		
19,697	3	7	Machinery and Goods in Transit ...		
1,096	13	6	£15,756 14s. 0d. 3½% Conversion Loan, at cost ...		
11,952	6	6	£28,196 10s. 6d. 4% Consolidated Stock, 1957, at cost ...		
24,299	16	2	£5,000 5% Treasury Bonds, 1933/35 at cost ...		
4,903	9	10	Cash at Bank and in hand ...		
2,887	4	6	Cash in India ...		
7,605	13	1	Stock of Gold (since realised) ...		
12,944	8	4	Sundry Debtors and Prepayments ...		
16,447	0	10			
81,039	19	3			

£189,741 16 10

BALAGHAT GOLD

Dr.	Revenue Account for the		
		£	s. a
To Salaries of Superintendent, Chief Officers and General Administration at the Mines		7,832	3 10
" Mine Costs—			
Wages, Materials and Electrical Power		69,912	14 0
" Mill Costs—			
Wages, Materials and Electrical Power		8,722	18 7
" Tailings Cost (Cyanide Process)—			
Wages, Materials and Electrical Power		4,164	1 5
" Repairs to Buildings, Machinery, Plant &c.		1,588	16 5
" Surface Costs and Transport of Ore		2,696	13 9
" Transport, Insurance, and Charges on Gold		741	14 3
" Medical Establishment		1,404	17 1
" Incidental Expenses		1,252	15 1
" Police and Detective Force		77	15 7
" Passages and Travelling Expenses of Employees		1,092	0 10
" Fire Insurance		223	19 3
" Directors' Fees		550	0
" Salaries of Managers, Secretary, Accountant, Clerks, Office Rent &c.		2,500	0 0
" Auditors' Fee		63	0 0
" Printing and Stationery		84	14 10
" Sundry payments, press reports, cablegrams and postages		458	10 10
		103,366	15 9
" Balance (Profit) carried to Profit and Loss Account ...		14,376	15 7
		<u>£117,743</u>	<u>11 6</u>

MINES, LIMITED.

year ended 31st December, 1931.

Cr.							
£	s.	d.	£	s.	d.	£	s.
				By Gold produced (including Stock, since realised, £12,944 8s. 4d.)			
122,895	18	0	...	...	...	...	...
151	2	1	...	...	...	...	...
123,047	0	1					
19	16	10	<i>Add—Adjustments of Gold Sales, 1930</i>				
123,066	16	11					
6,106	3	8	...	...	...	<i>Deduct—Royalty</i>	
116,960	13	3					
17	19	6	" Transfer Fees				
474	0	3	" Rents				
232	11	3	" Interest				
58	7	1	" Rebates on Freight and Sundry Receipts				

£117,743 11 4

BALAGHAT GOLD

Dr.					Profit and Loss Account for the		
					£	s.	d.
To Balance, 31st December, 1930	...	...	...	...	206	2	
„ Balance carried to Balance Sheet	...	...	..		21,941	6	7

Letter dated 21st April 1932, from the Superintendent,
Nundydroog Mines, Ltd., to the Director of Geology in Mysore.

I have the honour to state, in reference to

- (a) the circular dated 18th February sent out by the Directors of Nundydroog Mines Ltd. to the shareholders, a copy of which I had the honour to send you, through the Chief Inspector of Mines in Mysore on 18th March
- (b) my letter dated 9th April advising you, also - through the Chief Inspector of Mines, that an agreement had been ratified by the Nundydroog and Balaghat Companies in London in accordance with terms specified in the circular dated 24th March, which was included in my letter,

that I have now been instructed by the Managers, Messrs. John Taylor & Sons, to advise you that the Deed of Assignment of Balaghat Company's Lease to the Nundydroog Company has been forwarded to me, and is due to reach me, on or about 24th April together with the Power of Attorney to enable me to execute the assignment on behalf of the Nundydroog Company.

In like manner Col. Keith, Superintendent of Balaghat will represent his Company, and will duly advise you to this effect.

On its execution by both parties, the assignment will be registered in Bangalore on or before 1st May 1932 and the stamp duty upon the sum of £.40,000 will be paid to Government.

I have also the honour to advise you that in accordance with Clause 27 of the Balaghat Mining Leases a copy of the assignment will be forwarded to Government in due course.

Nundydroog Mine is, as you are aware, a fully equipped - Mine and will take over the Balaghat Lease as a going concern with the intention of developing the property in the hope of discovering eventually new payable ore bodies.

It will be evident to you therefore that there will be some redundant machinery, plant & buildings on Balaghat that will not be required for any useful purpose - notably the Reduction Plant as all ore won from Balaghat will be treated in the

Nundydroog Plant.

Such plant and buildings will with the concurrence of Government be dismantled and the materials disposed of if possible.

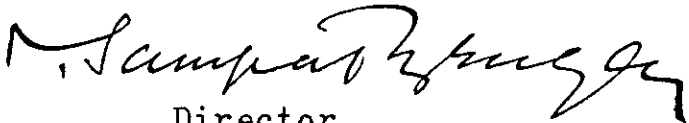
I have the honour to request Government's earliest concurrence in the matter of such plant, more particularly in regard to the Mill, since final gold recoveries depend upon an uninterrupted continuity of operations.


25.4.32 Director,
Mysore Geological Department.
ms

Letter No.527, dated 15th April 1932 from the
Superintendent, Nundydroog Mines, Ld., to the Direc-
tor of Geology in Mysore.

I have the honour to acknowledge receipt of
your No.6141-7 of the 14th instant, the contents of
which I have duly noted.

' C o p y '


Director,
Mysore Geological Department.

M.R.

Copy of letter No.6141-7, dated 14th April 1932,
from the Director of Geology in Mysore to the Superintendent, Nundydroog Mines, Ltd.

I have the honour to state that the Chief Inspector of Mines in Mysore has duly forwarded to me copy of your letter with copies of enclosures thereto regarding the purchase by your company of the properties of the Balaghat Gold Mines Ltd., As it is this Department that has to deal with the subject and correspond with the Government, it is requested that further particulars relating to this matter may be arranged to be forwarded to the undersigned for necessary action."


Director
Mysore Geological Deptt.

Bs.25/4

Nundydroog Mines, Ltd.

Directors:
V. Herbert Smith
P. C. C. Francis.
Maj. Gen. A. C. J. de Lotbiniere
Edgar Taylor
Henry C. Taylor
W. L. Bayley.

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the Members of the Company will be held at Southern House, Cannon Street Station, in the City of London, on Wednesday the 6th day of April 1932, at 3 o'clock in the afternoon, or so soon thereafter as the Ordinary Annual General Meeting of the Company convened for that day shall ^{have} concluded or adjourned, for the purpose of considering and if thought fit passing the subjoined Resolution:-

Resolution.

"That the draft agreement expressed to be made between Balaghat Gold Mines, Ltd., and this Company now submitted to this Meeting and for the purpose of identification signed by the Chairman thereof be and the same is hereby approved and that the Directors be and they are hereby authorised to enter ~~x~~ into an agreement with Balaghat Gold Mines, Ltd. in the terms of the said draft with such (if any) modifications as they may think expedient and to carry the said agreement into effect".

and this 24th day of March 1932.

By order of the Board,

(Sd) C.H.D Garland,

Secretary.

Registered Offices:

5 & 6, Queen Street Place,
London, E.C. 4

Note.-

A copy of the draft agreement above referred to can be inspected at the registered office of the company at any time during business hours prior to the said Meeting (Saturdays excepted.)

TS

Directors:

V. Herbert Smith
P.C.C. Francis.
Major. Gen. A.C.J. De Lotbiniere
Edgar Taylor
Henry C. Taylor
W.L. Bayley.

6, Queen Street Place,
London, E.C. 4

24th March 1932.

To the Shareholders.

The Shareholders were advised in a circular dated 18th February last, that the Directors had been approached in the matter of the acquisition of the property of Balaghat Gold Mines, Ltd. which adjoins the Nundydroog Mine to the north, and that they had agreed to consider the subject.

The Directors have now given the proposition the closest study in consultation with Messrs. John Taylor & Sons, the Company's Managers, and have been in communication with Mr. W.T. Hudson, the Superintendent at the Nundydroog Mine. As a result the Directors have decided to recommend to the shareholders the purchase of the Balaghat Company's mining leases and such of its other assets as are of value to this company.

The factors which influenced the Directors in their decision were:-

1 Some of this company's levels in the Oriental section have already reached the Balaghat boundary, and as the nearest shaft in the Nundydroog Mine (No.1 Auxiliary shaft) is over 1,500 feet away, it would greatly facilitate the opening up of this northern area to have the use of the Deep Level Main Winze of the Balaghat Mine; further, the purchase would enable the lode to be followed to the north of the present boundary with the attendant chances of re-makes of profitable ore at greater depth.

2 As a result of the fire in May last, new arrangements must be made for the future ventilation of Oriental section to take the place of Oriental shaft and Main winze, which have been damaged beyond economic repair. The use of the Balaghat shafts and workings would obviate large expenditure in this connection.

3 The contiguity of the two companies' properties lays the Nundydroog mine open to serious damage by an influx of mine water from Balaghat if that company were to cease pumping. To safeguard this company against such an emergency it would undoubtedly be wise to acquire the pumping plant and other necessary machinery on the Balaghat property now in efficient working order.

4. The Balaghat company has reserves of ore in its mine, which could be more profitably mined and milled by this company. The Directors are advised that these reserves are estimated to yield about 14,000 ounces of gold from which, at the standard price of gold and on the terms suggested below, this company would realise a profit of approximately £ 7,000/- which would be enhanced by any premium obtained above standard value.

As a result of negotiations with the Board of Balaghat Gold Mines, Ltd. the Directors of that company have agreed to recommend their shareholders to sell to this company on terms which your Directors now place before you as follows:-

For the assignment of the Mining Leases comprising ~~1,112~~ 1,888 acres, the Mine workings, the pumping plant, winding engines at surface and underground, electric power lines and cables, air mains, compressors, buildings, etc. required for keeping the mine unwatered and the winding engine with all accessory plant and equipment of the Deep Level Main Winze - the sum of £ 40,000/- payable in cash spread over nine months.

For mining and milling the ore reserves, this company to make a charge of 24 S. per ton of ore milled and after deducting from the net sale proceeds of the bullion recovered (a) royalty of 5% payable to the Government of Mysore (b) the above charge of 24 S. per ton milled, (c) the cost of keeping the Balaghat mine free of water during the period of this working arrangements; the remaining profit to be divided as to 25% to the Nundydroog company and 75% to the Balaghat company.

The Nundydroog company to take over the above assets and commence working the ore reserves on 1st May next.

The Directors strongly recommend the above terms for acceptance by the shareholders.

The following Members of your Board are interested in Balaghat Gold Mines, Ltd., viz. Major

38
Balaghat Gold Mines, Ltd., viz: Major-General A.C.J. de Lotbinier Mr. Henry C. Taylor and Mr. W.L. Bayley are directors of, and shareholders in, the Balaghat company, and Mr. Vere Herbert Smith and Mr. Edgar Taylor are holders of shares in that company.

A draft Agreement between this Company and the Balaghat Company embodying the above terms will be submitted for approval to an Extraordinary General Meeting of shareholders which is call to follow the Annual General Meeting on the 6th April 1932, as per Notice enclosed. A form of proxy is sent for the use of shareholders who may be unable to attend the Meeting, and this form should be returned, after completion, in time to reach the company's office by noon on 4th April.

By order of the Board,

(Sd) C.H.D. Garland

Secretary.

M. Sampad Singh
Director, 25.4.32
Mysore Geological Department.

(40)
Nundydroog Mines Ltd.,--

6 Queen Street Place,
London, E.C. 4,
18th February 1932.

To the Shareholders.

The Directors have been approached by Balaghat Gold Mines, Ltd., to ascertain whether they would entertain the acquisition of the Balaghat property, which adjoins this Company's Mine, and they have intimated their willingness to consider the subject. As they are awaiting receipt of further particulars, some little time must elapse before the Directors can state whether the proposition is one which they could recommend to the shareholders.

By order of the Board,
Sd) C.G.D. Garland,
Secretary.

Director,
Mysore Geological Department.

MR. P. SAMPAT IYENGAR, M.A.,
Director of Geology.

W

D 4084

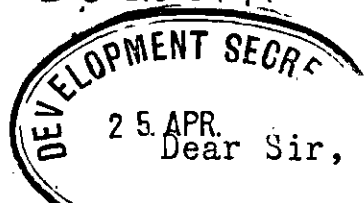
IMMEDIATE.

MYSORE GEOLOGICAL DEPARTMENT.

25th April 1932

Bangalore,.....19

D O. No. 6441-12



Recd. 5.45
M
274
274

I am sending herewith copies of correspondence relating to the Assignment of Balaghat Gold Mines Ltd., Mining Leases to the Nundydroog Mines Ltd., As the matter is important and urgent I request you to immediately bring it to the notice of the First Member of Council.

The Superintendents of Balaghat and of Nundydroog are meeting me to-morrow at the Geological Department to discuss the draft Deed of Assignment. It is likely they may also call on the Member during the course of the day (Tuesday 26th instant).

Yours sincerely,

P. Sampat Iyengar



B.T.Kesaviengar, Esq., B.A.,
Secretary to the Government of
His Highness the Maharaja of Mysore,
Development Department, B a n g a l o r e.

Bs.25/4

T. G. D. 12.]

GOVERNMENT OF MYSORE

27 APR. 1932
No. 6704

Immediate
Telegraphic Address: "GEOL."

MYSORE GEOLOGICAL DEPARTMENT,

Bangalore, ...27th.....April.....1932

No. 6141-15

FROM

P. SAMPAT IYENGAR, Esq., M.A.,

Director of Geology in Mysore,

Bangalore.

To

B.T.Kesaviengar, Esq., B.A.,

Secretary to the Government of

His Highness the Maharaja of Mysore,

SIR,

Development Department, B a n g a l o r e.

*Subd The deed
Assignment will be
examined by the
Lgis. Sect.*

*ms
27/4
Yes
Early
me*

In continuation of my letter No.6141-11 dated 25th¹⁹³² I have the honour now to inform that the two Superintendents, Messrs. W.T.Hudson and C.N. Keith produced the deed of Assignment (a copy of which is enclosed herewith) wherein it is stated the considerate amount for the Assignment is £ 40,000/- The Power of Attorney granted to the two Superintendents to execute and to register the Deed of Assignment on behalf of their respective companies mentions only this figure of £ 40,000/-. I pointed out to them the necessity of the inclusion of the estimated value of the gold ore reserve of Balaghat, viz., £ 28,000/- for purposes of stamp duty; and they after some discussion were agreeable to take into account £ 21,000/- the amount likely to be received by the Balaghat Gold Mines Ltd. as Net Profits for the ore reserves, subject of course to the consent and approval of the Managing Directors in England. They have cabled to them yesterday and their decision is awaited.

The Superintendents have personally requested me to obtain Government approval for the Nundydroog Mines Ltd. to take over Balaghat (the Assignors) properties as a going concern and to start working operations from the 1st May 1932

without any interruption, even though there may be a delay in the execution and registration of the Deed of Assignment. Since I presume, the Government cannot have any objection to this assignment, the necessary permission asked for to start work from the 1st May 1932 may kindly be accorded. This will be to the interest of Government.

If there ~~be~~ be any necessity, the copy of the Deed of Assignment sent herewith may be forwarded for opinion to the Legal Adviser to Government.

I have the honour to be,

Sir,

Your most obedient servant,


Director,

Mysore Geological Department.

THIS ASSIGNMENT is made the day of 1932

W H E R E A S:

1. Balaghat is entitled to the premises comprised in the three Indentures of Lease specified in the Schedule hereto (hereinafter called "the Scheduled Leases") for the unexpired residues of the respective terms created by the Scheduled Leases subject as to the premises comprised in the Indenture of Lease dated 9th November 1922 (mentioned in the said Schedule) to and with the benefit of an Indenture of Underlease dated 5th September 1923 whereby part of the premises comprised in the said Indenture of Lease were demised by Balaghat to Nundydroog for the term of 19 years from the 22nd March 1921 and subject to the rents royalties and other payments and the Lessees covenants and conditions respectively reserved and contained in the Scheduled Leases and has agreed to sell the same subject as aforesaid but otherwise free from incumbrances to Nundydroog at the price of £ 40,000 (forty thousand pounds)

N O W THIS ASSIGNMENT WITNESSETH AS FOLLOWS:-

1. In pursuance of the said agreement and in consideration of the premises Balaghat hereby conveys and assigns unto Nundydroog. First: The exclusive license and liberty to search for mine and raise all quartz reefs and beds and strata of earth stone or rock containing or supposed to contain gold metallic ores precious stones coal or other substances of a merchantable nature occurring in or upon All That piece of land delineated in a map or plan annexed to the Indenture of the 25th day of October 1910 specified in the

in the Schedule hereto situate in the Bowringpet Taluk of the Kolar District Mysore State estimated to comprise 1,328.32 acres and particularly mentioned and described in the Schedule to the said Indenture of the 25th day of October 1910 annexed and which piece of land is thereafter called "the mining block" and to treat the same by metallurgical or other processes and obtain or prepare therefrom gold metals precious stones and other valuable products or substances either in a finished completed and refined state (and then thereafter referred to as "finished products") or in an intermediate condition (and then thereafter referred to as "intermediate products") and to erect such buildings or mining or metallurgical plant and carry on such operations as may be necessary or desirable for the purposes aforesaid together with liberty to remove sell and dispose of the minerals found or raised on or in the mining block or the intermediate or finished products obtained ~~xxx~~ or prepared therefrom and

SECONDLY: The like exclusive license and liberty exerciseable in upon and throughout All That piece of land delineated in a map or plan annexed to the Indenture of the 28th day of April 1917 specified in the Schedule hereto and situate in the Bowringpet Taluk of the Kolar District of Mysore State estimated to comprise 238.92 acres or thereabouts and particularly mentioned and described in the Schedule to the said Indenture of the 28th day of April 1917 annexed which ~~xxx~~ piece of land is known as the "Balaghat Western Block".

AND THIRDLY: The like exclusive license and liberty exerciseable in or upon All That piece of land delineated on the map or plan annexed to the Indenture dated the 9th November 1922 specified in the Schedule hereto and situate in the Bowringpet Taluk of the Kolar District of Mysore State estimated to comprise 250.88 acres or thereabouts and particularly mentioned and described in the Schedule to the said Indenture of the 9th November 1922 which ~~xxx~~ piece of land is known as the Northern portion of the Nundydroog Western Block and All other (if any) licenses liberties rights and privileges now vested in Balaghat under or by virtue of all

or any of the deeds or documents specified in the Schedule hereto.

TO HOLD the same unto Nundydroog as to the premises first hereinbefore described for the ~~an~~ unexpired residue of a term of Thirty years from the 22nd day of March 1910 created by the said Indenture of the 25th day of October 1910 as to the premises secondly hereinbefore described for the unexpired residue of a term of 25 years from the 22nd day of March 1915 created by the said Indenture of the 28th day April 1917 and as to the premises thirdly hereinbefore described for the unexpired residue of a term of 19 years from the 22nd day of March 1921 created by the said Indenture of 9th November 1922 subject to but with the benefit of the recited Underlease and to the term thereby created and as to all other the premises hereby assigned for all other (if any) the estate and interest therein of Balaghat and subject as to all the said premises to the payment of the rents assessments royalties and other monies payable in respect thereof by virtue of and to the Lessees covenants and the conditions contained in the Scheduled Leases under which the same are respectively held.

2. Balaghat hereby covenants with Nundydroog as follows:-

(1) That notwithstanding anything by Balaghat done made executed or omitted or knowingly suffered the Scheduled Leases under which the said premises hereby assigned are respectively held are now valid good and effectual leases and are in full force unforfeited and surrendered and have in no wise become void or voidable and that notwithstanding anything as aforesaid all the rents assessments royalties monies and payments respectively reserved by and made payable under the Scheduled Leases respectively and all the Covenants conditions and agreements contained in the Scheduled leases have been paid performed and observed up to the date of these presents.

(2) Notwithstanding any such thing as aforesaid Balaghat has now power to convey and assign the premises hereby intended to be conveyed and assigned unto Nundydroog in manner aforesaid.

(3) That it shall be lawful for Nundydroog and its assigns at all times hereafter quietly to enter ~~it~~ into and upon and to hold and

and enjoy the said premises and to receive the rents and profits thereof without any interruption or claim or demand by Balaghat or its assigns or any person or persons claiming under or in trust for it respectively and free and discharged from all incumbrances save as aforesaid made occasioned or suffered by Balaghat or any person or persons lawfully claiming through or in trust for them.

(4) That Balaghat and every person or persons having or lawfully claiming any estate right title or interest in or to the said premises hereby granted or assigned or any part thereof or in trust for them respectively will at all times hereafter at the cost of Nundydroog and its assings do and execute every such assurance and thing for the further and more effectually assuring all or any part of the said premises unto Nundydroog and its assigns as by them shall reasonably be required.

3. Nundydroog hereby covenants with Balaghat that Nundydroog and its assigns will henceforth pay the rents assessments royalties and other monies reserved by or payable under the Scheduled Leases and observe and perform the lessees covenants and conditions in the Scheduled Leases respectively contained and will keep Balaghat indemnified against all proceedings costs damages claims and demands whatsoever by reason or on account of the non-payment of the said rents royalties and monies or any part thereof or the non-performance or non-observance of the said covenants and conditions or any of them.

4. Nundydroog hereby declares that the term of 19 years created by the recited Underlease shall forthwith merge and be extinguished in the reversion expectant thereon.

IN WITNESS whereof the hands and seals of Charles Napier Keith and William Tyrrel Hudson the duly authorized attorneys of Balaghat and Nundydroog respectively have hereunto been set the day and year first before written.

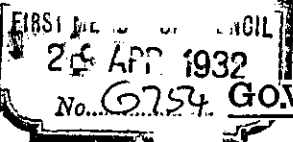
The Schedule above referred to

Date	Parties.	Descriptions.
25th October 1910	The Government of His Highness the Maharaja of Mysore (1) The Balaghat Gold Mining Co. Ltd. (2) registered in the office of the Registrar of Bangalore as No.21 of 1910/11 in Book No. 1 vol 29 pages 390-409)	Lease of Mining rights over 1328.32 acres in the Bowringpet Taluk Kolar District Mysore State for the term of 30 years from the 22nd March 1910 subject to the payment of certain rents assessments royalties and other monies.
28th April 1917	The Government of His Highness the Maharaja of Mysore (1) The Balaghat Gold Mining Co. Ltd (2) Registered in the Office of the Registrar of Bangalore as No.43 of Book 1 vol.35 pages 45-72	Lease of Mining rights over 238.92 acres in the Bowringpet Taluk Kolar District Mysore State for the term of 25 years from the 22nd March 1915 subject to the payment of certain rents assessments royalties and other monies.
9th November 1922	The Government of His Highness the Maharaja of Mysore (1) Balaghat Gold Mines Limited (2) Registered in the Office of the District Registrar Kolar District as No.9 of Book I, vol. 3, pages 273-302	Lease of mining rights over 250.88 acres in the Bowringpet taluk of the Kolar District Mysore State for the term of 19 years from 22nd March 1921 subject to the payment of certain rents assessments royalties and other monies.

Sealed signed and delivered by the
said Charles Napier Keith in the
presence of

Sealed signed and delivered by the
said William Tyrrel Hudson in the
presence of

M. G. D. 12.



GOVERNMENT OF MYSORE

File 69-31-46

119

D 4128

Telegraphic Address:—"GEOL."

MYSORE GEOLOGICAL DEPARTMENT,

No. IMMEDIATE.
6141-16

Bangalore, 28th April 1932

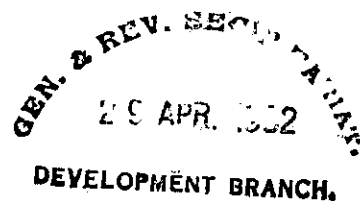
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P. SAMPAT IYENGAR, Esq., M.A.,

Director of Geology in Mysore,

Bangalore.



To

B.T.Kesvaiengar, Esq., B.A.,

Secretary to the Government of His

Highness the Maharaja of Mysore,

SIR,

Development Department, Bangalore.

With reference to para 1 of my letter No.6141-15 G. 1338 of yesterdays date, I enclose herewith a copy of the reply cablegram received by the Superintendent. The Managing Directors are evidently willing to pay stamp duty on the £ 21,000/- also, only they do not like the considerate amount in the Deed of Assignment to be increased over and above £ 40,000/-. I do not think any stamp duty in excess of the considerate amount could be legally claimed. It is for the legal adviser to suggest a method by which we can recover the excess stamp duty on the £ 21,000/- which the parties are willing to pay.

Requesting the favour of an early decision in the matter as the parties are anxious to have the Deed of Assignment executed & registered by the end of the month

I have the honour to be,

Sir,

Subd. for General.

Your most obedient servant,

(1st member).

ms
28/4 28/4

P. Sampat Iyengar
Director,

Mysore Geological Department.

Bs. 28/4

29/4/32

COPY OF CABLEGRAM DATED LONDON, 27th April
1932, RECEIVED FROM THE MANAGER'S ON THE SAME DATE

"Referring to your telegram 26th. we authorize you to pay additional stamp duty. It is important that figure inserted assignment is £ 40,000 only and no alteration or addition be made to assignment. If Government question this Please state London insist that £ 40,000 is the full consideration but to save time agree to pay additional stamp duty demand. "

M. J. Campbell

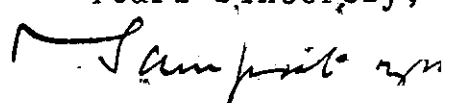
7. 4. 32

With reference to the assignment of Balaghat to Nundydroog Mines Ltd., I submit herewith the cablegram received from the Managers, London. Evidently they are not in favour of increasing the considerate amount of the transfer over and above £ 40,000/-. The gold reserves being only approximate estimates, may or may not yield the value put upon them and so I think they are chary to include that in the considerate amount for the transfer.

Although the companies are willing to pay the excess stamp duty on £ 21,000/-, I believe we cannot have it legally unless the considerate amount is also increased. Mr. Jones who represents King & Partridge, solicitors, Madras, and who accompanied the Superintendents on the 26th, tells me now that a subsidiary document for the £ 21,000/- may be drawn up later on between the companies for purposes of stamp duty. On behalf of the companies he requests Government approval to register the present Deed of Assignment drawn up on the basis of £ 40,000/- by the end of this month.

Shall I ask them to deposit in the State Huzur Treasury the stamp duty payable on the £ 21,000/- subject to the drawing up of a subsidiary contract and then proceed with the registration of the present Deed of Assignment that they have drawn up? Requesting to have an immediate reply.

Karyaprasakta
Bahadur M.N.
Rao, Esq., B.A.

Yours sincerely,


viengar. As. B.A.

Secretary to the Government of His
Highness the Maharaja of Mysore,
Development Department Bangalore.

COPY OF CABLEGRAM DATED LONDON, 27th April
1932, RECEIVED FROM THE MANAGER'S ON THE SAME DATE

Referring to your telegram 26th. we authorize
you to pay additional stamp duty. It is important
that figure inserted assignment is £ 40,000 only and
no alteration or addition be made to assignment. If
Government question this please state London insist
that £ 40,000 is the full consideration but to save
time agree to pay additional stamp duty demand.

N. Sampat Zenger

D i r e c t o r ,

Mysore Geological Department

28. 4. 32

fol 69-31-6

54

Do. No. C. 26

9.8.32

Dear sir,

With reference to your D.O. No.6141-17
of ^{from} ~~this~~ date to the First Member of Council in
regard to the levy of stamp duty on the assign-
ment of the Balghat Mines to the Nandydroog
Mines, I am desirous to inform you, that your
proposal to ask them to deposit the ^{sum} stamp duty
payable on £ 21,000 in the State Huzur Treasury
subject to the drawing of ^{up} a subsidiary contract
before the registration of the present deed of
~~Assignment that they have drawn up~~ is approved
and that you may take the necessary action in
the matter.

Yours sincerely,

MS
28/4

P. Sampath Iyengar, Esq., M.A.,
Director of Geology in Mysore.

28-4-32.

DEVELOPMENT BRANCH.

205402

30th April 1932.

~~205402~~ - 31 - 6a
Jed

Dear sir,

correspondence ending with
With reference to/your letter No.6141-17 dated
27th April 1932 regarding the assignment of the workir
of the Balghat Mine to the Nandydroog Mine, I am de-
sired to state that pending other formalities, the
Nandydroog Mine may be permitted to work the Balghat
Mine with effect from 1st May 1932. Formal orders
will be issued in due course.

Yours sincerely,

13

P. Sampath Iyengar, Esq., M.A.,
Director of Geology in Mysore.

SUBJECT

Section *feol*File No. *69-31*Serial No. *7*

Diary No. of letter replied to

No. *D. 6352*To *Mr. Secy. feol*

Sir,

General and Revenue Secretariat

()

the 193

Date of issue

16/6/32

Signed by

*M. B. Mudukrishappa**with reference to your L.O.**No. 6141-32 d 4/6/32 re: the**Assignment of the Balapahat Gold**Mines, Ltd., mining leases to the**Nandydoo Mines, Ltd., I am**desirous to invite attention to**this your No. C 26/ feol 69-31-6**d 28/4/32 approving of the deposit**by the Companies of the excess stamp**duty payable on ore reserves of the**estimated value of £ 24,000 in the*

List of enclosures

State Budget Treasury subject to the

Copied by

*drawing up of a subsidiary estimate**before the registration of the present*

Examined by

Board of Assignment and to ensure

if the additional stamp duty has
been paid and if so, ^{request you to kindly} to state how
your purpose to get the subsidize
will be executed.

An early reply is requested.

Yours, etc.,

13/6/32

M. W. S. S.

Telegraphic Address:—"GEOL."

MYSORE GEOLOGICAL DEPARTMENT,

No. 6141-40
Enc. one

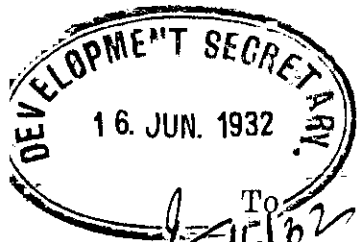
Bangalore, 15th June 1932

FROM

P. SAMPAT IYENGAR, Esq., M.A.,

Director of Geology in Mysore,
Bangalore.

D 44870
GEN. & REV. SECRETARIAT.
17 JUNE 1932
DEVELOPMENT BRANCH.



To
16/6/32

B.T. Kesavaiengar, Esq., B.A.,

Secretary to the Government of

His Highness the Maharaja of Mysore,

SIR,

Development Department, B a n g a l o r e.

In the matter of the Assignment of the Balaghat properties to the Nundydroog Mines Ltd., I have the honor to state that in pursuance of your D.O. No.C.26 dated 28th April 1932, the approval of Government for the Nundydroog Co. to take over the properties of the Balaghat Co. as a going concern and to start working operations from 1st May was communicated to the companies, subject to the following conditions:-

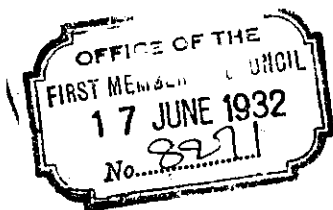
(i) To get the Deed of Assignment with £40,000/- as the consideration duly stamped, executed and registered in Mysore.

(ii) To pay up immediately the excess stamp duty on the £21,000/- which is the estimated Net Profit for the ore reserves to be received by the Assignor Co.

(iii) To have a subsidiary contract drawn up by the two companies in respect of the £21,000/- for the ore reserves and have the same registered in Mysore.

Accordingly the Deed of Assignment has been executed and registered. The stamp duty paid on this is Rs.6668-12-0 and the Registration fee has been Rs.1592-4-0.

In regard to the payment of stamp duty in respect of £21,000/- it has just been reported by the Superintendent of the Nundydroog Mines that the same was paid into the Bangalore



4/8/32

Bangalore Treasury on 30th April.

As regards the drawing up of the subsidiary Deed of Contract it is stated that the question is under the consideration of the Managers in London.

On the 21st April 1932 it was requested by the Balaghat Company that permission may be granted for the dismantling of all redundant machinery, plant and buildings in Balaghat that will not be required any more, as the Nundydroog Mine was fully equipped to treat all ore won from the Balaghat properties. The dismantling of the Balaghat mill was permitted to be proceeded with as it was stated to be urgent and permission is now sought ^(4th June 32) for the dismantling of buildings machinery and plant as detailed in the accompanying list. A copy of the list was sent to the Chief Inspector of Mines with a request to state if he would recommend the taking over of any of the plant, buildings etc for Government purposes and the reply has been in the negative.

In the above circumstances I beg that Government may be pleased to accord their permission for the dismantling of the redundant machinery, buildings etc., of the Balaghat mine as applied for.

Subd.
The proposal at A may
be affd.

I have the honour to be,

Sir,

Your most obedient servant,

8th member)

ms
15/6

16/6/32

S. Sampat Singh
Director,

Mysore Geological Department

ms

8/6/32

ms 15/6

Bs.15/6

List of Machinery, Plant & Buildings belonging to the Balaghat Gold Mines, Ltd., which are to be dismantled.

(64)

- 1 Five Officers' Bungalows.
- 2 Four Blocks of Quarters (originally occupied by Foreman & Assistants, clerks & Fitters).
- 3 Mechanical Drill Sharpening shop - Building & Plant.
- 4 Store for Machinery.
- 5 Underground Carpenters' shop.
- 6 Saw Mill.
- 7 Foundry, Blacksmiths & Carpenters shop and Carpenters shop store room.
- 8 Three old Compressor buildings & machinery therein.
- 9 Sorting & Crushing station.
- 10 Various superfluous odds and ends.

"C O P Y"

N. Sampath Kumar
Director,

Mysore Geological Deptt.

GOVERNMENT OF MYSORE

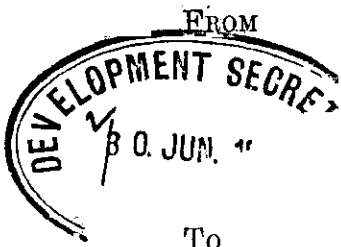
61
June 69-31-9

Telegraphic Address:—"GEOL."

MYSORE GEOLOGICAL DEPARTMENT,

No. 6141-42

Bangalore,.....17th June 19 32



P. SAMPAT IYENGAR, Esq., M.A.,

Director of Geology in Mysore,
Bangalore.

D 4896
& REV. SECRETARY.

To

B.T. Kesavaiengar, Esq., B.A.,

Secretary to the Government of

His Highness the Maharaja of Mysore,

SIR,

Development Department, Bangalore.

With reference to the enquiry contained in your letter No.D.6352/Geol.69-31-7 dated 15/16th June 1932 re: the Balaghat Assignment, I have the honour to invite your attention to my letter No.6141-40 dated 15th June 1932 in the matter. The excess stamp duty on the ₹21,000/- is reported to have been paid and the matter of a subsidiary contract is stated to be under consideration by the Managers of the companies in London.

I have the honour to be,

Sir,

Your most obedient servant,

For Director,

Mysore Geological Department.

SUBJECT.....

Diary No. of letter replied to.....

General and Revenue Secretariat

the

193

Date of issue.....

27/6/32

Signed by.....

M^r B. Muthukrishnan

Section Geol

File No. 69-31

Serial No. 9a

No. S. 6601

To

The Dir of Geology

Sir,

With reference to

Your letter no 6141-40 of 15/6/32 recommending that the permission sought by the Balaghat Gold Mining Company to dismantle the redundant machinery, plant and buildings as per list forwarded may be granted, I am directed to communicate the approval of Govt to

[over

Your recommendation
I have etc.

11/14/6

Memorandum D. 6602/Enclosure

Copy to the Chief Inspector
Jallines for information
to take a copy of the test.

Bo.

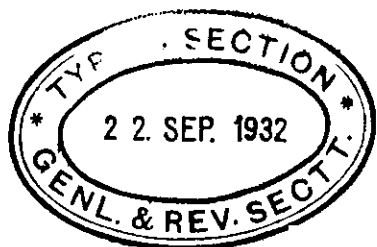
Please type a copy of
the last paragraph of the

11/14/6
In charge

6896

64

SUBJECT



Diary No. of letter replied to

General and Revenue Secretariat

()
the 193

Date of issue

13/9/32

Signed by

Mr. B. M. K.

Hay X

Dzh. rem. Subd

MKG KD

21.9.32

Jc 21/9

List of enclosures

Copied by

Examined by

Section Geol

File No. 69-31

Serial No. R

No

D1876

To

The Chief Inspector of

Mines in Moscow

Sir

I am directed to invite attention to the correspondence ending with your letter no. 1855 dated 9th April 1932 in the matter of transfer of the Bolashat mines to the Maudirovsky Mines Co. and to request you to kindly report the stage at which the question of the subsidiary contract to be entered into by the latter company in this connection stands and when the matter

~~will finally close~~ is likely to be closed

I have etc

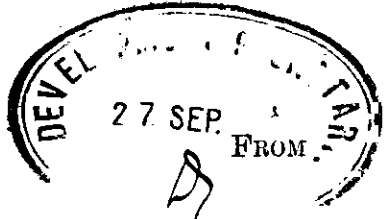
~~I have~~
2119
Mr Dev. Sec

Geol 69-31-10.
61.
1183
GEN. 332
DEPT. 332
DEPARTMENT OF MINES AND EXPLOSIVES.
OFFICE OF THE CHIEF INSPECTOR OF
MINES IN MYSORE.
Dated Gurgaum, 26th September 1932.
(S. India).

GOVERNMENT OF MYSORE

Telegraphic Address:—
"MINESPECTOR"

No. 666.
Encl:—



C. E. SURYANARAYANA RAU, Esq., Mem. A.I.M.E., &C.,
Chief Inspector of Mines in Mysore.

To

D. Srinivasa Iyengar, Esq., B.A.,
Secretary to the Government of
His Highness the Maharaja of Mysore,
Development Department,
Bangalore.

Sir,

With reference to your letter No. D.1316/Geol. 69-31 dated the 23rd September 1932 re: the transfer of leases held by the Balaghat Gold Mines, Ltd. to the Nundydroog Mines, Ltd. I have the honour to state that this matter has been satisfactorily arranged as per terms of notice forwarded with my letter No.1855 dated the 9th April 1932. The Nundydroog Mines, Ltd. took over the working of Balaghat Mines with effect from 1st May 1932 and the work of the latter mine is being carried on without interruption ever since as per permission granted by the Director, Department of Geology, pending the registration of the deed of assignment. The question of the grant ~~of~~, cancellation or assignment of Mining Leases is dealt with in the Geological Department. Intimation of registration of the deed of assignment has not yet been received here from that Department but enquiries made at the Nundydroog Mines, Ltd. show that the Director has acknowledged to the Superintendent, Nundydroog Mine the receipt of the registered deed of assignment and the supplementary registered deed of assignment (referred to as subsidiary contract in your letter under reply) with his No.6141-29 dated 27th May 1932 and No.6141-65 dated 18th August 1932, respectively. If these

papers

papers have not as yet reached Government I presume they must be pending with the Director, Department of Geology.

I have the honour to be,

Sir,

Your most obedient servant,

C. E. Srinivasan
Chief Inspector of Mines
in Mysore.

RS

SUBJECT 67

Section *Sec*
File No. *69-31*
Serial No. *R*

Diary No. of letter replied to

No *23228*
To

General and Revenue Secretariat
()
the 193 .

The Director of Geology,
Sir,

Date of issue *7 11/33*

I am directed to invite your
kind reference to your letter

Signed by *H. K. P. A. Rao*

NO. 6141-42 of 17th June 1932 & to
enquire at what stage the
question of the subsidiary contract
to be entered into by the London
companies of the Balaghat &
the Nandidroog Mines, stands
at present
An early reply is requested.

List of enclosures

I have etc.

Copied by :

KD
Secy D. Secretary
AV

Examined by

Secy
AV

gov. 69-31-3 4
GOVERNMENT OF MYSORE

3-563-1-4
June 32
Telegraphic Address:—"GEOL."

62 2673
MYSORE GEOLOGICAL DEPARTMENT,

No. 6141-96

Bangalore, 13th January.....1933.

FROM
B. Balaji Rao, Esq., B.A.,

XXXXXXXXXXXXXXXXXXXXX,

GEN. & REVE.
Dir. Director of Geology in Mysore, in charge,
Bangalore.

DEVELOPMENT SECRETARY
16. JAN. 1933
To
The Secretary to the Government of
His Highness the Maharaja of Mysore,
Development Department, Bangalore.

SIR,

With reference to your letter No.D.3229/Geol.69-31-dated 7th January 1933 requesting to be informed as to in what stage the question of the subsidiary contract entered into by the London Companies of the Balaghat and the Nandidroog Mines, stands at present, I have the honour to state that the subsidiary contract between the two companies in respect of £21,000/- being the value of ore reserves, was completed and the Agreement Deed duly registered in the office of the District Registrar, Bangalore on the 6th August 1932. The stamp fee of Rs.3,500/- and the registration fee of Rs.813/- in respect of the above deed have also been paid.

I have the honour to be,

Sir,

Your most obedient servant,

B. Balaji Rao,
Director in Charge
Mysore Geological Department

Bs.13/i